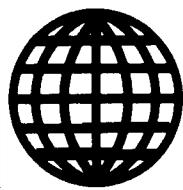


15 MAY 1992



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POLITICAL

Try Sutrisno Reports to DPR on Reconstruction

92SE0221A Jakarta SUARA KARYA in Indonesian
18 Mar 92 pp 1, 11

[Text] Jakarta (SUARA KARYA)—The Territorial Operation (OPSTER) in East Timor is a breakthrough effort to spur development in the province. This rehabilitation activity is the responsibility of all players in national development, according to their respective tasks and functions, PANGAB [Armed Forces Commander] General Try Sutrisno said Tuesday night [17 March] in Jakarta as he answered written questions from members of DPR [Parliament] Commission I. As this report was filed, he had just begun to respond to 10 other questions presented orally in a working meeting with DPR Commission I, which was led by Deputy Commission I Chairman Ipk Atmasubrata of the Indonesian Democratic Party Faction.

The PANGAB said the emphasis of the OPSTER is on the villages and that targets include all sectors of life, both physical and nonphysical. Therefore, the rehabilitation program, which comes in the wake of the Dili Incident, is directed toward rehabilitation of human resources, particularly manpower aspects, and simultaneously toward all sectors through Operation "Moris Diak-2."

The PANGAB, who was accompanied by the KASAD [Chief of Army Staff], KASAL [Chief of Navy Staff], KASAU [Chief of Air Force Staff], and KAPOLRI [Chief of Indonesian Police], also said that the OPSTER supports development programs in East Timor in the context of improving the welfare of the people of East Timor.

"Thus, the ABRI [Indonesian Armed Forces] OPSTER is not a separate operation but helps and complements overall development in East Timor," the four-star general said.

He noted, however, that this rehabilitation effort is the responsibility of all players in national development, according to their respective tasks and functions. It must be realized that the handling of the East Timor problem cannot be done by individual sectors but must be simultaneously integrated into all aspects of life.

The emphasis of Operation "Moris Diak-2" is on building the political infrastructure, which includes community leaders, young people, and students, and deals with issues that could hurt Indonesia in mass media reporting. Priority is given to rehabilitation activities in the Dili, Baucau, and Ermera KODIM's [Military District Commands].

The goals of physical operations include accelerating the development of young people, community youth associations, and LKMD's [village community resilience groups] and the improvement of knowledge and skills

related to fisheries and cottage industries. There will also be the construction of facilities and infrastructures for farming, fisheries, health care, education, sports, worship, and neighborhood security systems.

Nonphysical goals include creating community resilience to the various kinds of threats that may emerge, particularly in the Dili KODIM. There will also be the consideration and channeling of community aspirations in order to find the best ways to resolve problems through the community institutions that exist under Indonesia's political system.

"In its implementation of these physical and nonphysical operations, ABRI will maintain coordination with regional government at both provincial and regency levels and with community and religious leaders," Try Sutrisno said.

Lessons

At another point in his written responses, the PANGAB said the incident of 12 November 1991, which has affected Indonesia's image internationally, affords many valuable lessons for the Indonesian nation and state, especially as to the need to improve the sensitivity, receptivity, and alertness of the entire government apparatus. There are also lessons about early handling of political, economic, and sociocultural issues so that they do not spread more widely with implications of social unrest and disruption of security.

The PANGAB added that we have also been alerted to the need to seek a strong national resilience that will enable us to overcome every type of threat to the nation and state.

"Without awareness at all levels of society and government of the importance of national resilience, national development as well as the integrity and existence of this nation could be threatened," General Try Sutrisno said.

He added that development must produce "output" that increasingly strengthens national resilience, rather than the opposite. The development we are conducting has a wide spectrum and complex dimensions and is an increasingly heavy burden.

The PANGAB also described government preparations for the Nonaligned Summit Conference to be held in September and the results of the recent ASEAN Summit Conference in Singapore, which declared its continued desire that the ASEAN region be a region of peace and neutrality.

He also described the terrorist situation in Aceh and Irian Jaya, saying that because of the support of all the community ABRI is increasingly able to keep problems down.

Report on Failure of 'Provocation' in East Timor
92SE0214A Jakarta PELITA in Indonesian 13 Mar 92 pp 1, 8

[Text] Jakarta, PELITA—The failure of the Lusitania Expresso's mission of provocation to East Timor demonstrates that Indonesian integrity and sovereignty cannot be dictated to by other nations. Our success in driving away the old ferry shows the readiness of government and civilian authorities, which prevented a clash between the provocateurs and government authorities.

That was the gist of views expressed by Chairman of DPR [Parliament] Commission I Imron Rosyadi and Deputy Chairman Commodore A. Hartono in reply to reporters' questions at the DPR Building in Senayan, on Thursday [12 March]. The two legislators had been asked for their reactions to the Indonesian Navy's success in driving the Lusitania Expresso, a ferry, from Indonesian waters.

Hartono recommended that the government establish access to the foreign press so that reports about Indonesia can be responded to in a balanced way. "The failure of the Lusitania's mission of provocation can be converted into a momentum for shaping public opinion about the East Timor issue. Consideration should therefore be given to making press releases overseas," he stated.

To establish and develop access to the foreign press, Hartono said, Indonesian embassies should publicize through all existing facilities everything that vindicates Indonesia's position. It would be even better if the government would establish its own press overseas, such as in the Netherlands, which has basic channels to other West European countries.

High-Technology Information Phase

Imron Rosyadi added that following the proclamation phase and the economic development phase, Indonesia now faces the high-technology global information phase. We must take early steps to anticipate this phase so that we do not fall behind other countries that are advanced in information technology capabilities.

"It is time for the Department of Information to establish close ties with the national and foreign press to anticipate the era of high-technology information. Press activity on the East Timor issue must be on the offensive and not merely defensive, waiting for reaction to develop," he declared.

In a separate statement, Salvador J. Ximenes Soares, a member of DPR Commission II and a prominent young figure from East Timor, said that if anyone wants to protest backward conditions in East Timor he should make the protest to Portugal, for the backwardness suffered by the residents of East Timor is a result of hundreds of years of Portuguese oppression.

In fact, ever since the integration process began in 1976, Portugal has always criticized Indonesia's good intentions to develop the area for the sake of the welfare and advancement of its residents. "This fact shows that Portugal does not have any goodwill toward efforts being made by Indonesia. They are always trying to shape opinion to discredit Indonesia in international forums," Salvador declared.

Portuguese Always Faithless

Salvador added that because the Portuguese have broken every word and promise they have made on resolving the East Timor issue, it is difficult to depend on them. As an example, although there was an agreement that the Portuguese would visit East Timor in 1987, they broke the agreement unilaterally.

As another instance, Portugal canceled in October 1991 a scheduled parliamentary visit after plans for the visit, which was to be made with the help of the United Nations and was preceded by the visit of an advance team, had been publicized. A bloody incident then ensued in East Timor.

From these experiences, Salvador said, it can be concluded that the Portuguese Government is deceitful in its position on the East Timor issue. Therefore, the government needs to give careful consideration to every visit or agreement proposed by Portugal.

Besides that, he said, every East Timor question that emerges should be taken over by the Central Government and handled directly without involving the echelons of government in East Timor. In this way, the government will be able to make final decisions on East Timor issues for the sake of upholding Indonesia's national integrity.

Students Accused of Maligning Government

92SE0222A Jakarta SUARA KARYA in Indonesian 18 Mar 92 p 11

[Text] Jakarta (ANTARA)—Separate trials of three students from East Timor, F.D.S.G. (26), D.B. (29), and A.C. (25), began Tuesday [17 March] at the State Court in Central Jakarta. They are charged with declaring enmity against the Indonesian Government and of publicly maligning the government.

In court sessions in which panels of judges were headed by Tuaradja Siregar, R.P.A. Mangkoediningrat, and Setyo Harsoyo, respectively, the three accused were charged with conducting demonstrations at 1030 hours on 19 November 1991 on Thamrin Street in Jakarta in front of the UN Mission, the Japanese Embassy, and the Australian Embassies.

According to Public Prosecutor R. Soeroso Rachmad, F.D.S.G. left for Jakarta on 13 November 1991 with intent to conduct demonstrations. He was also accused of proposing a petition in a meeting at the home of witness J.F.D.A. (who led the meeting) on 18 November

1991, which read as follows: "The struggles of the peoples of Namibia and the Western Sahara can be equated with the Maumere struggle."

In the court session, the accused student from the Malang Institute of Technology (ITM), who was accompanied by a team of legal counselors led by Frans Hendra Winarta, was also charged with being the spokesman for demonstrators trying to enter the grounds of the UN Mission on Thamrin Street.

Meanwhile, D.B., who is a student at the Legal Faculty of Sugyopranoto University in Semarang, was accused of taking part in the demonstrations led by J.F.D.A. and of being one of the people signing the Portuguese-language document entitled "Declaration by the National Movement of East Timor Students."

Because D.B. declined legal counsel, the panel of judges examined the witnesses.

Reaction to Dili Incident

According to witness Francisco Xavier Vasco Soares, who is a campus colleague of the accused, on 16 November 1991 he and the accused discussed plans for going to Jakarta to hold demonstrations.

The witness said the plans for demonstrations in Jakarta emerged after D.B. received a telegram from J.F.D.A. The purpose of the demonstrations, the witness added, was to express reaction to the Dili Incident of 12 November 1992.

Upon arrival in Jakarta, the witness and the accused went to J.F.D.A.'s house, and on the morning of 19 November 1991 the two students went by taxi to a place on Thamrin Street near the Sarinah premises.

Together with companions who had come from various places, the witness and the accused went to the grounds of the UN Mission. As soon as the demonstration began, the witness displayed a poster that had been prepared at J.F.D.A.'s house.

When the judge asked the wording of the poster, the witness said he did not know because it had not been unwrapped before coming to the demonstration site.

At the same time, Public Prosecutor Prapto Soepardi charged that A.C. had received 90,000 rupiah from Fer (tried on 16 March) to pay for a trip to Jakarta on 15 November 1991.

The accused was also accused of participating in a meeting at the home of J.F.D.A. on 18 November 1991, at which the accused showed his approval of a declaration by signing it.

After signing the declaration, A.C., who is a student at Udayana University in Denpasar, Bali, was alleged to have participated in making a banner and 19 posters that maligned the Indonesian Government.

The accused was also charged with participating in demonstrations in front of the UN Mission and the embassies of Japan and Australia in Jakarta.

GOLKAR Chief on Election Campaign, Role of Youth

92SE0215A Jakarta PELITA in Indonesian 13 Mar 92 pp 1, 8

[Text] Jakarta, PELITA—H. Wahono, chairman of the Functional Group [GOLKAR] Central Executive Council [DPP], hopes that the general election, which is to take place in June 1992, will not be merely a ritual of democracy but will create momentum for selection of one of the election participant organizations [OPP's].

"Each OPP gives opportunity to voters to perform rational study," Wahono said Thursday [12 March] at the Al-Kamal Islamic Boarding School when he opened the fifth class of the Youth Education and Training Seminar of the Al-Kamal Islamic Boarding School Foundation. The seminar, which is being attended by 88 people representing young people from throughout Java, will continue until 23 March.

Wahono said GOLKAR will increase the types of campaigning that permit dialogue between campaigners and voters. "GOLKAR will also try to bring together our traditional concepts and the rights aspired to by the people."

Through the promotion of this dialogue process, Wahono said he hopes the election will create and make permanent a foundation for long-term development. This includes concepts, strategies, and the systems that afford integrated support through ideology and political interaction.

As an OPP, GOLKAR will encourage political dialogue on relevant and current subjects and promote dialogue that the people can conduct and take part in.

"I hope the various provinces will have a part in making GOLKAR successful and will participate in national development. In this way, the provinces will be able to channel the aspirations and ideas of the people, who will combine their determination, strength, and ideas to make the general election a success," Wahono stated.

In Hands of Young People

The general chairman of the Al-Kamal Islamic Boarding School Foundation, K.H. Thohir Widjaja, said that education and leadership are in the hands of young people.

Because young people are the ones who possess a balance of science, technology, faith, and piety, their ideas and feelings will enhance the pace of national development.

Nevertheless, Thohir said, it is the task of the Al-Kamal Islamic Boarding School to teach these young people so that they will be dependable.

Organizing Committee Chairman M. Choirul Anam M.Z.D. said the education and training of young people

in leadership is a routine activity of the Al-Kamal School, which is in Jakarta. The school's 464 alumni, who are scattered throughout the community, are members of the Al-Kamal Alumni Association (IKBAL).

The purpose of the education and training of young people in leadership is to reinforce the potential of the younger generation, particularly Islamic youth from functional and religious mass organizations, to support achievement of national development objectives.

The seminar is being attended by 54 men and 34 women. They represent the following functional mass organizations: MKGR (Mutual Cooperation Family Deliberation) GM (Student Organization), KOSGORO (Multi-purpose Mutual Cooperation Cooperative) GM, Anshor GP (Youth Organization), and Wirakarya Indonesia. There are also delegates from Islamic boarding schools, mosque young people's groups, BPPMI (Indonesian Mosque Library Promotion Organization), and the ISTA (Al-Kamal Science and Technology Institute) student body. There is one person from East Nusa Tenggara Province.

Material being presented includes Islamic subjects, leadership, and politics. These cover GOLKAR matters, economics, science and technology, women's issues, cultural affairs, and youth subjects.

Speakers are PANGAB [Armed Forces Commander] General Try Sutrisno, Minister of Population and the Environment Emil Salim, Minister of Social Affairs Professor Dr. Haryati Soebadio, Minister of State for Women's Affairs Mrs. A. Sulasikin Murpratomo, Minister of Communications H. Azwar Anas, Minister of Religion H. Munawir Sjadjzali, Minister of State for Reform of State Apparatus Sarwono Kusumaatmadja, Minister of Information H. Harmoko, Minister of Cooperatives H. Bustanil Arifin, S.H. [Master of Laws], Professor of IIQ [expansion not given] K.H. Ali Yafie, and K.H. Thohir Widjaja himself.

Minister Says Village People Want Dialogue

92SE0209A Jakarta PELITA in Indonesian 14 Mar 92 pp 1, 8

[Text] Jakarta, PELITA—Minister of Information H. Harmoko says an evaluation of the official tours he has made shows village people strongly desire an atmosphere of dialogue with officials so that village residents can articulate the problems they face.

"In every meeting with government officials, including the president and vice president, the attitude shown by the community indicates responsible openness," Harmoko told the press at his office on Friday [13 March] as he described plans for the official tour, called the Ramadan Safari, that he is to make along the northern and southern coasts of Java from 15 to 25 March.

According to Harmoko, the tour he is making during the fasting month is actually a routine official trip. Many people have gone so far as to call it the Ramadan Safari because it coincides with the religious fast. Apart from the question of its name, however, the official visits will be very effective as a way to develop a system of reciprocal social communication.

He said the main objective of the visits is to monitor the community's "pulse" during the current phase of development, which is an application of responsibility as a nation. This monitoring is to be directed toward sectors that are growing and developing in the villages and will take the form of reciprocal, dynamic communication and dialogue about development.

"Through dialogue, feedback and information can be obtained from the bottom ('bottom-up information') in the context of developing community potential for become a national asset," Harmoko explained. He also revealed that initial plans for the official tour called for implementation in Irian Jaya. Because land transportation conditions make that unfeasible, however, he chose village areas in the northern and southern parts of Java.

Goal

He said further that he hopes the Ramadan Safari will achieve its goal of creating and expressing creativity among people in the village community and of developing elements of community unity and integrity in the effort to promote healthy and dynamic stability in the community.

Another goal is to raise the awareness of the community toward its rights and responsibilities for making the next general election a success, while at the same time improving the village community's understanding of the Archipelago Viewpoint, National Resilience, and Defense of the State. In this way, the community will be able to develop its self-sufficiency, and the village community will be mentally prepared to face Long-Term Development Phase Two.

The minister of information also wants to make the Ramadan Safari a way of "checking and rechecking" both hardware and software aspects of operational information activities and their effectiveness in the provinces.

ECONOMIC

Bank Governor on Continuing Cautious Policies

92SE0211A Jakarta PELITA in Indonesian 14 Mar 92 p 1

[Text] Jakarta, PELITA—Because high inflation and steep bank interest rates show that government policies to cool down the economy have not yet reached their expected targets, cautious economic policies continue to be followed.

Bank of Indonesia Governor Adrianus Mooy said this yesterday in reply to a question from the press following the installation of a number of second echelon officials in the Department of Finance.

Mooy said that government efforts to cool down the economy have shown results in that they have kept inflation under 10 percent (two digits), which has always been the government's standard. He admitted, however, that although under 10 percent, an inflation rate of 9 percent is high. Inflation for the fiscal year is running at 9.13 percent.

This level of inflation may hamper the economy Mooy said. "For that reason, the government continues to follow cautious policies," he added.

According to Mooy, the application of cautious economic policies does not mean the government is still maintaining a tight economy. "Distinction must be made between tight policies to cool down the economy and those used because of improper allocation in the economy," he said.

Mooy said caution means that policies should not hit the national economy with inflation. "If policies are wrong, it will be easy to exceed 10 percent," he continued.

In this regard, Mooy said the government will continue efforts to create a business climate conducive to reduction of inflation.

Macro indicators, especially bank interest rates, have shown a declining trend since April of last year, Mooy said.

Need Support

So that the goal of cooling off the economy can be reached, Mooy stated, support is needed from the real sector, primarily business and banking. He said none of the government's policies will have much success without the support of everyone concerned.

Mooy means that banks should allocate credit to productive sectors and not to consumption and that business should plan investment so that financing can be borne by the national economy.

Mooy also warned big businesses to show restraint and to be more efficient.

Restraint, Mooy said, means that big businesses will help small businesses to develop. By such action, big businesses will give opportunity to small businesses to get credit for financing their operations.

Government Opposes Low Wages for Workers Overseas

92SE0223A Jakarta SUARA KARYA in Indonesian
18 Mar 92 p 11

[Text] Jakarta (SUARA KARYA)—Minister of Manpower Cosmas Batubara will take firm action against

employment agencies that place TKI/TKW [Indonesian workers/women workers] overseas at wages lower than promised in their contracts. The government has set a minimum wage of 600 riyals per month for TKI/TKW in Saudi Arabia and other Middle Eastern countries.

After reporting to President Suharto at Cendana Street on Tuesday [17 March] about his visit to three Middle Eastern countries, the minister said there are companies that reduce wages in the destination countries. In Saudi Arabia, it is true that there are workers from other countries who are willing to receive wages of only 300 riyals. "Indonesia rejects that low standard, however," Cosmas declared.

Cosmas said he was not able to sleep well at first because of thinking about the 3,000 TKI passports that the Saudi Arabian Government returned to the Indonesian Embassy. After an investigation, however, it turned out that most of the holders of those passports had returned to Indonesia and that others had moved to other jobs without the knowledge of their agencies. According to Cosmas, passport holders still in Saudi Arabia are living under good conditions.

In his visit to Egypt, Saudi Arabia, and Kuwait, the minister of manpower arranged for greater cooperation and exchange of information about manpower and made firsthand visits to TKI in Saudi Arabia and Kuwait.

From his visit, he received a picture of wide-open opportunities for TKI in the formal sector, especially in Saudi Arabia and Kuwait.

He said he learned that Egypt now has about two million workers overseas in various sectors. The workers also are now better educated.

Indonesia compares its workers with those of Egypt, for Egypt, like Indonesia, is changing from an agrarian to an industrial country.

As for the qualifications of Indonesian workers going overseas, the minister of manpower said that they must meet at least three requirements: mastery of the customs and laws of the destination country, mastery of English and Arabic, and possession of skills. The most important is the mastery of the two languages. "If not, they will be unable either to speak or to respond," he said, citing an example.

The minister said that skilled TKI in Kuwait are working on reconstruction projects for the oil industry and that they are not inferior to workers from the Philippines and Taiwan. TKI are quite skilled, and their performance in technical work as operators, foremen, and supervisors is recognized in the oil industry.

There are about 2,000 TKI in Kuwait, second to the 4,300 people from the Philippines. In the third year of REPELITA V [Fifth Five-Year Development Plan], 300,278 TKI in 25 countries have been recorded, or about 60 percent of the target of 500,000 people.

SOCIAL

Achievements of Mutual Help Operations in Jakarta

92SE0216A Jakarta PELITA in Indonesian 12 Mar 92 p 6

[Text] Jakarta, PELITA—Minister of Home Affairs Rudini feels that urban residents are forgetting the mutual help that has long been an Indonesian tradition. Solidarity in the community cannot be created without mutual help, however.

Minister Rudini expressed this view on Wednesday [11 March] as he closed 1992 National Social Solidarity Day (HKSN) activities at Marunda village, Cilincing Subdistrict, north Jakarta. Also present were Tb. Rais, chairman of the Jakarta Special Capital Area BAPPEDA [Regional Development Planning Board]; H. Suprawito, mayor of north Jakarta; and Hajjah Mien Sugandhi, general chairman of KOWANI [Indonesian Congress of Women]. HKSN activities also took place in central, east, and south Jakarta.

The home minister said that HKSN activities remind us of the importance of mutual help in the community. "We realize that there are still many things the government cannot fully accomplish, such as the cleanup of slum areas that was performed as an HKSN endeavor."

The cleanup of these slum areas does not mean that the government's development work has been completed. The cleanup of village slums through mutual help in the community will continue throughout the year.

North Jakarta Mayor H. Suprawito said in a report given on the same occasion that 1992 HKSN activities focused on residential slums in Marunda Village, Cilincing Subdistrict, and Warakas village, Tanjung Priok Subdistrict.

HKSN activities were conducted by village heads with the assistance of ABRI [Indonesian Armed Forces] elements and members of the local communities. Funding in the amount of 250 million rupiah was provided by the HKSN committee. Donations from the community during the activities expanded the funds to more than 841 million rupiah.

Heart of Community

Governor Wiyogo Atmodarminto, who attended the closing of HKSN activities in central Jakarta, said that the solidarity of residents could be seen from this process of rehabilitating residential slums. "This is a massive exercise in self-sufficiency," he said. According to Wiyogo, HKSN strengthens the heart of the community, which must always have a family spirit despite the fact that we are building an industrial society for the future takeoff phase.

Central Jakarta Mayor H.A. Kahfi reported that 250 million rupiah in HKSN funds were received from the

Indonesian Department of Social Affairs. Activities covered the villages of Petamburan, Galur, and Kampung Rawa and included road surfacing; construction of bath, laundry, and toilet facilities; and building healthy housing.

Cost of 750 Million Rupiah

Minister of Communications H. Azwar Anas conducted the closing of the 1992 HKSN in south Jakarta. Activities took place in Ward 07, Pela Mampang village, Mampang Prapatan Subdistrict.

According to South Jakarta Mayor Drs. H. Harun Al Rasyid, principal activities included the rehabilitation and improvement of highly populated areas (slums) in four wards of Pela Mampang village and Ward 04 of Manggarai village, Tebet Subdistrict.

The central government provided 250 million rupiah in HKSN project funds, and additional community contributions reached 500 million rupiah. Besides money, 5,359 hectares of land were provided by residents, who actively helped as the activities progressed.

Minister Azwar Anas said he hopes the community will continue with other social activities to improve the conditions of people in highly populated areas. At the end of his visit, Azwar Anas donated 1 million rupiah for repairing the Al Ikhlas house of worship.

Technology Minister Inaugurates HKSN Project

On Wednesday [11 March] at Cawang village in east Jakarta, Prof. Dr. B.J. Habibie, minister of state for research and technology, officially marked the completion of the social rehabilitation of slum areas in the city of east Jakarta. The social rehabilitation of these slum areas comes as a commemoration of HKSN, which the minister had announced at the same location on 20 December 1991.

According to the minister, social rehabilitation of slum areas in connection with HKSN represents a collective mutual help effort to revive and promote a spirit of social solidarity in dealing with slums in particular and social problems in general.

Thus, the minister said, official recognition of the completion of this effort does not mean that efforts to deal with slums have ended. On the contrary, Habibie said, HKSN activities improve awareness of the need to expand the community's participation in reaching out to social problems in other places.

The mayor of east Jakarta, who was represented by Dr. H. Sutardjanto, said in his report that implementation had included both physical and nonphysical aspects.

Intellectual Urges Almsgiving To Fight Poverty
*92SE0210A Jakarta PELITA in Indonesian 14 Mar 92
p 12*

[Text] Bandung, ANTARA—The number of poor people in Indonesia could be reduced if the entire Indonesian Islamic community seriously discharged its obligation to pay alms on wealth, said Professor Dr. H. Maman P. Rukmana, chief coordinator for West Java of the Indonesian Association of Muslim Intellectuals (ICMI).

"The potential for alms on wealth is so great in West Java alone that if Muslim contributors and businessmen would pay them, funds equal to the regional budget (APBD) would be gathered, he said at Padjadjaran University (UNPAD) on Thursday [12 March].

Maman, who is also rector of UNPAD, told ANTARA that such alms gathered to fight poverty is not distributed in the form of money but as capital for collective business to improve the common welfare.

If members of the Islamic community in the middle and upper classes alone would actually contribute alms on their wealth for accumulation and distribution in a

careful and organized way, the number of poor people in this country would gradually be reduced, Maman Rukmana said.

The contribution of alms on wealth, which means paying a certain part of one's assets, is an obligation of the Islamic community, as is almsgiving during the holy month of Ramadan.

Maman said that both types of alms and the payment of taxes are the great religious duty of the Islamic community.

"Islam does not mention any tax other than alms," he said. That does not mean, however, that Muslims may shirk their responsibility as citizens to pay ordinary taxes with the excuse that they will pay more fasting-month alms and alms on wealth.

"I do not agree that the tax obligation of Muslims should be reduced so that they can pay more of the two kinds of alms, for that would reduce government revenues," said the chief coordinator for the ICMI in West Java.

The Islamic community must continue to pay all three things as its religious duty, he said.

Khamsai Souphanouvong Praises Kaysone Leadership

*92A60013A Vientiane PASASON in Lao
13, 14, 30, 31 Dec 91*

[Article by Khamsai Souphanouvong: "Kaysone Phomvihan, the Founder of the New Economic Policy in Laos"]

[13 Dec pp 1, 2, 4]

[Text] Today as the whole party, Army and all the Lao people work vigorously to expand and carry out the economic line which was specified by the fifth party congress, the cadres, party members and all the multi-ethnic people express their best wishes to Chairman Kaysone Phomvihan whom they respect on his 71st birthday.

His renown is closely tied to the greatest deeds in Lao history. Our party, Army and people achieved these during the national democratic revolution in the past and during the present period of building and developing the country and the system of Lao people's democracy.

During this historic period of only 15 to 16 years under the skillful leadership of the LPRP [Lao People's Revolutionary Party] with Chairman Kaysone Phomvihan as its head, the multiethnic Lao people have overcome many kinds of difficulties to build the new system, repair the wounds of war, and successfully revive and develop the national economy so that the Gross Domestic Product, rice production, electrical generation and the value of industrial production are twice that of 1975 on a per capita basis. The value of exports increased three times. The amount of paved and unpaved highway increased 10 times. The appearance of Lao society was improved. The starvation, illiteracy, and epidemics which spread throughout the country in the period before liberation have disappeared with the old regime never to return. All elements of the multiethnic people have turned to building a new life and a better future as the real masters of their country. In comparison, other peoples of the world, including some in countries richer than ours, are experiencing economic and social crisis with populations dying of starvation, epidemics, ethnic strife, civil wars, imperialistic invasions, colonialist exploitation, discrimination, unemployment, inflation, illiteracy, drugs, crime, prostitution, social breakdown, environmental destruction, political unrest, social injustice, disorder, recession, lack of freedom, national unrest, and lack of unity. Because of this we understand how great the victory achieved by our people was, we understand that virtue is like a great mountain and is like heaven and earth for the party, and we recognize the leadership and ingenuity of our party and state and especially of Chairman Kaysone Phomvihan.

As a politician and an economist, I had the opportunity to be his close assistant for the past 10 years. I would like to speak about his extraordinary abilities in developing plans for national economic development in order to

help us all see the correctness of the party's policies, to increase our confidence in its leadership, and to give us great resolve in carrying out this line effectively.

In the first years of building the administration of Lao people's democracy, repairing the wounds of war and reviving the national economy, although he was very busy as the Party General Secretary and Chairman of the Council of Ministers, he did not reduce his efforts to find good ways to build the nation. Because of his intuition as a politician with many years experience in organizing leadership and with a broad knowledge of economics, he saw then that the system of economic administration in our country was not appropriate for conditions in Laos. The conditions in our country then were like those in Russia after World War I and after the great socialist revolution of October. So the chairman began to research the "New Economic Policy" of Lenin. Then in the second session of the seventh party congress in 1979 he made recommendations to the party for the first time concerning policies for developing the economy by changing from a traditional economy and a semitraditional economy to a commercial economy by means of "state capitalism." At that time the socialist countries had for decades employed systems of absolute central authority which provided large subsidies and close control. In our country the new state had administered the economy for less than four years and lacked experience in theory and practice. But Kaysone was able to learn of Lenin's great ideas concerning state capitalism which the economists and politicians had all "forgotten" for half a century. This was an amazing discovery.

In order to expand on this idea while carefully considering the details so that this idea could be used in keeping with the real conditions in Laos, Kaysone in 1979 carefully evaluated the effect of currency reform, the movement to change to agricultural cooperatives throughout the country, and the operations of the principle economic units in services and localities. He also guided those sectors investigating the problems of markets, prices and salaries, and experimenting with changing government enterprises to profit and loss accounting, with improving the mechanism of government so that it could be reduced, and with making changes in the way things were done. Through actual practice the various initial problems became clearer and so the initial concepts of the party concerning economic development were improved on the basis of actual practice in Laos and also on the basis of international practice and theory. Under these concepts the market had to be expanded in order to change the traditional economy to a commercial economy. A new economic framework had to be set up relying on the strong points of the nation and the multiethnic people of each section. The state had to change its system for administering the economy to a market system in which the large state sectors were regulated using economic policy and there was an increase in the administrative authority of the various economic units over the small sectors in conducting production and business and also in expanding

cooperation with other countries in order to coordinate the domestic strong points and power with foreign investment, international economic accomplishments and technology, and the power of the epoch in developing our economy. An important factor in this process was that Kaysone pointed out for us the advantages and disadvantages of the systems of various countries (for example the unregulated free market system, the system of total control and subsidies, and the market system with the large state sectors regulated) and allowed us to see the difference between a market and capitalism. The increasing inefficiency of the old system and the urgent demands of our political and economic duties then required a thorough economic reform. The problem was where to begin. In handling this problem Kaysone again demonstrated his leadership skill with regard to strategy and tactics. We were able to see from the actual practice in many countries that correctly setting the starting point and the steps to be taken would determine the outcome of the reforms. We began our changes in 1985 in all areas. We began with the economy. The first step was to take care of the problem of prices and salaries. Our policy was to conduct the reform in steady steps starting at the bottom and working up. We started with the general tools (such as prices and salaries) and worked toward the specialized tools (such as currency policy and financial policy). This correct concept of Kaysone was proven by the success of our reforms in Laos and the failure of reform in other countries (which began their reforms in the political or cultural sphere).

After the reform of the policies for price and salary and after various state enterprises were changed into businesses and agricultural cooperatives were transferred to agricultural families, production and markets expanded vigorously. Prices in the market stabilized gradually through the action of the law of supply and demand. In order to improve and expand on these initial successes, Kaysone continued to lead the way for new changes in the policies for currency, finances, trade, international cooperation with the open door policy, agriculture, forestry, goods production, communications, education, and for administering the small sectors. We carried out the policy for free movement and put the state enterprises under other ownership. The economic reforms led to broad new changes in politics, society, and other areas.

[14 Dec pp 1, 2, 3]

[Text] During that time movements for economic reform and for administrative changes sprang up in many countries of the world but especially in the socialist countries. Consequently there were many theories from abroad which poured into our country in various guises and in confusing variety. In order to assure that the reforms in our country were correct and to hold to the principles of the reform, Kaysone concentrated on correcting the various trends which were incorrect, were opportunistic, were conservative, were backward, or were not appropriate for actual conditions and our goals. To accomplish this he had to do two things: First, he had to expand on

the new economic line of the party and provide the details, the laws, and the various policies, and he had to correct various omissions in the policies which had already been announced; in particular he had to assure that the various economic policies were scientific, revolutionary, and oriented toward the masses so that they would be effective in practice. Second, he had to expand this movement down to the grassroots, mobilize the masses, and build a mass movement which was stronger and broader than before. This would arouse the people to achieve real mastery and to become a real force in pushing for the new economic changes. These two actions caused the new economic changes in our country to expand and strengthen correctly and effectively. There was peace, and various dangers were avoided, in particular the following three dangers: incorrect lines, the disease of absolute power which was cured without collapse and anarchy, and the lack of democratic centralism and unity. These accomplishments attested to the correctness of Kaysone's ingenious methods which he used effectively to address the incorrect reform tendencies. Among these the most important problem which we had to address involved recognizing the unity between economics and politics; between the lower levels and the upper levels; between the following three elements: party leadership, state administration, and the mastery of the people; between the interests of the state, collectivities, and individuals; and between revolutionary theory and the mass revolutionary movement. These unities became a great tradition and an excellent method for revolutionary victory for our party during this historic period in which they have remained constant. This recognition attests to the correctness of the scientific methods of Marx and Lenin. Marx once said: "the means of production used in providing for material needs is the basic factor in determining society, politics, and thinking," and "theory will become a material force when it belongs to the masses." Lenin pointed out that: "politics provides more illumination concerning economics than anything else does," and "without a revolutionary theory there will be no revolutionary movement." The failure of reform in other countries attested to the correctness of the scientific methods in our country. Some countries reformed the economic line and policy but did not go down to the grassroots to mobilize the people and did not think of the interests of the people, and so there was no unity between the reform line, the power of the state and the people. In the end the reform line was not carried out, and the power of the state was overthrown by the people. In some countries there was only the mobilization of the people.

The people were mobilized with political slogans, but their living standard was not improved, and the economy was not developed using a new system. In the end the reform movement was defeated. In many countries the economic reform line lacked scientific or revolutionary form, or politics was cut off from economics. In the end these naive political ideas led to economic and political crises which grew steadily worse.

In just the last six years under Kaysone's direct leadership our party held the fourth and fifth party congresses and meetings of central authority and the Politburo which determined the content of the new economic line and adopted plans in detail and complete economic policies. Here we should keep certain basic ideas in mind:

The economic line of the party had four principle categories:

We had to change the traditional economy and semitraditional economy into a commercial economy.

We had to set up commercial economic structures with many types of ownership, many types of economic organization, many levels of technology, and of many different sizes.

We continued to change economic policy and administration.

We continued to expand relations with other countries.

Based on this line our party specified the following plans:

Expansion of the economy was to begin with the expansion of agriculture and forestry in all areas in connection with the expansion of industry and services everywhere. This had to begin with the family, primarily the agricultural family. The agricultural family was considered to be the primary economic unit for the nation.

The sectors of the economy were to be equal before the law and were to be in charge of their own production and business in all areas. They were to receive the benefits and be responsible for carrying out their obligations according to the law. Competition, cooperation, business relationships, and free travel and communications were all legal.

We had to change the state administration and increase the authority of the administration while increasing the rights of the people and those conducting production and business in all sectors of the economy.

We encouraged many forms of direct foreign investment in production and business in Laos. We continued to expand cooperation between our government and other countries, international organizations, and international financial institutions.

Based on these lines and plans, our party specified the economic policies for each area: agriculture, forestry, industry, handicrafts, transportation, communications, trade, finance, banking, and others.

[30 Dec pp 1, 2, 3]

[Text] Along with the economic reforms Kaysone, together with the members of the Politburo of the party Central Committee, directed changes in the political sphere with the aim of abolishing the system of absolute central control, broadening democracy, expanding the rights and solidarity of the multiethnic people,

improving and strengthening the political system of the new regime from central authority to the grassroots, expanding the authority and the legal foundation for the administration of state authority, and raising the quality of the party in all areas so that it could carry out well its leadership role in the political system of our country. In addition Kaysone worked especially hard to guide the leaders of the various services and localities in making changes in education, culture, public health, public security, and foreign affairs on a broad basis and correctly. These new changes in all areas created the necessary conditions to cause the economic reforms to expand quickly, to grow in strength, to be stable, and to improve the situation in the country. Operations in various areas were more effective than before and the people had more confidence in the leadership of the party and were inspired to work harder than before. Solidarity and unity improved and became firmer than before. The strength of people's democracy was increased. This was clearly demonstrated by the accomplishments the people achieved in 1991. Although the conditions this year were not favorable - there were droughts, floods, plant pests, and livestock epidemics in many localities causing great losses to agricultural production and especially to rice production where losses amounted to 350,000 tons and in addition assistance to our country from socialist countries was reduced because of their economic and political difficulties—nevertheless the national economy expanded at the rate of 4 percent a year. Industrial production increased 24.5 percent over 1990. Services increased 5.8 percent. The lower levels of the economy continued to expand because of large investments in various sectors - these were primarily investments by the state, which amounted to 85 billion kip. Prices in the market have remained normal for three years in succession. Inflation has remained low—about 12 percent per year. Currency circulation is twice that of last year. Expenditures by the people this year were greater than those of any previous year. One out of six people was studying. The number of doctors was 15 times larger than it was in 1976. For many years no one has emigrated or fled abroad. Now the Laotian living abroad are coming back. The first constitution of the new system has been announced as the basis of the law to guarantee and expand the rights of the nation and the freedom of the multiethnic people. The state continues to suppress the discouraged remnants of the old regime so that society will remain pure and just. More effort has been made to preserve the environment than in the past with the policy to close the state forests.

These accomplishments again attest to the correctness of the reform line of our party. The situation here is much different than the serious situations and crises occurring in those countries which followed incorrect reform lines, especially those countries where right-wing opportunism and the concept of many political groups took hold. The history of more than a century of various kinds of opportunism and the clear lessons of the world today indicate that it is the most dangerous enemy of revolution and progressive reform. In addition it is a dangerous

and effective weapon constantly being used in the scheme for peaceful change of the imperialists and reactionaries. The danger and the reactionary essence of right-wing opportunism, including the views of the "bek-sateng group" in the past and the theory of "the third way" now, is that this view denies the revolutionary goal of the people and the epoch. It holds that Marxism-Leninism is backward and extols capitalism. It holds that capitalist oppression has been changed so that the class conflicts of capitalism are disappearing on their own, that the power of the state must act as a central mediator and must administer the country under the philosophy of many parties, and that democracy must be opened up so that there are no limits to freedom. At this point the right-wing opportunists try to deny the leadership role of the party in society. They slander Marxism-Leninism, discount the accomplishments of the party, and deride the various revolutions which the people have been able to achieve including the great socialist revolution of October in Russia. They denounce the outstanding leadership of the party and of the revolutionary movement there and the many good people who brought independence and progress to the nation and freedom, democracy and satisfaction to the people and who saved humanity from the peril of Fascism, helped many nations liberate themselves from the brutal oppression of imperialism and colonialism and preserved world peace. In addition these opportunists worked to divide the party with regard to politics, organization and action. They destroyed the influence and the leadership role of the party. They extinguished the revolutionary fervor among the cadres and party members. They separated the party from the people's movement so that the party was isolated. They encouraged divisions within the people's movement so that the reform movement lost direction. They separated the power of the state from the leadership of the party and the control of the people so that it became a tool of the opportunists to destroy the party and the new system. This caused politics to be destroyed, the economy to be ruined, society to become chaotic, and the people to suffer. The honor of the nation was trampled upon. The nation was divided up and fell into a deep crisis.

This punishment of the nation, sin against the people, and betrayal of the party and the revolutionary movement by these opportunists, although it was supported and praised by the imperialists and international reactionaries, nevertheless it was not able change the course of history or avoid being denounced by the people and being appropriately punished as has been the fate of traitors in the past. For these reasons Kaysone called on all of us to increase our revolutionary awareness in order to be able quickly and resolutely to resist any manifestation of right-wing opportunism in our party and in the role of our people to bring new changes in all areas. We feel proud of our brave, resolute tradition of resistance and of the revolutionary consciousness of our multi-ethnic people. In every revolutionary period in the past as well as in the reform movement now our people have been able to ascertain who was friend and who was foe

and have had complete confidence in the leadership of the party. This has been clearly demonstrated in discussions held among the people concerning writing the first constitution for the new system. The multiethnic people throughout the country wrote resolutions that the leadership role of the country should be given to our party alone. This correct determination of our people guaranteed the victory of the reforms in our country. It did not cause reform to lose direction or become trapped in words as did the propaganda of the right-wing opportunists which stated that building a multiparty system was the primary goal of reform and the basis of a democratic system. Reform in those countries which followed the concept of having many political parties did not concentrate on developing the national economy, improving the living standard of the people, and giving the people real freedom by increasing their mastery of the country, society, making a living, and their own actions, which brought peace to politics, order, and justice to society, and solidarity and unity to the country. The right-wing opportunists encouraged the people to join movements engaged in seizing power and to fight to overthrow other groups in order to gain advantage for oneself and one's group. This caused political war and ethnic violence. It caused people and villages to be torn apart and caused the nation to fall into a crisis in all areas. And so the world has provided clear lessons, but our people were already aware of the evil effects of a "democratic system" with many parties because of our old system. At that time the "political parties" seized power and conducted coups regularly. They competed to sell out the country, oppressed the people, seized property, took bribes, and made themselves rich from the blood and tears of the people. From this our people know that it is not the number of parties that determines democracy. Its nature is indicated by actual practice: is a party for the people, from the people, by the people, and of the people? The 36 years of the LPRP [Lao People's Revolutionary Party] and its historic deeds to redeem the nation and liberate the people attest that our party alone is suitable for leading our country and is able to unite the forces of the nation and the epoch in order to carry out the duty of building a people's democracy and of conducting the movement to make the new changes in all areas of our country successfully.

One might say that all the major economic lines, plans and policies which were adopted in the past were brought about by Kaysone's thinking or leadership. But what is more remarkable than that is that these lines and policies were correct and have been proven by actual practice in our country. This merit of Kaysone which was decisive in developing the national economy caused us and our friends in the world to marvel at his abilities. But if one is close to him, one can see his excellent qualities, his morality, his great patriotism, his revolutionary nature, his international spirit, his broad knowledge, the abundant lessons of his leadership, and his ability to work without tiring. The heroic, revolutionary deeds in this new age of our nation which are related directly to his leadership bring us to understand how

exceptional are his abilities. Because of this he fits the description of the leader mentioned by Lenin: "In history no class is able to perpetuate its rule without creating political leaders to replace its leadership who are able to organize a movement and lead it."

[31 Dec 91 pp 1, 2]

[Text] What made this great hero of our nation extraordinary for many leaders and specialists both here and abroad was his broad, profound, and complete knowledge, which provided a basis for his ingenuity and for his success. At 20 he became an important politician in the revolutionary movement and later became the leader of the party for the past 36 years. No one was able to replace him. At 29 he became the brave supreme commander of the Lao People's Liberation Army, which began with just the 25 members of the "Latsavong" unit but which defeated the two greatest imperialists of the world in succession, created the conditions for the people throughout the country to rise up and destroy the feudal system which had lasted for many centuries, and brought independence to the country and freedom to the people. His knowledge and ability were not confined to politics and the military; he also had a broad knowledge of economics. He was able to express clear opinions and criticisms of various economic theories including the agriculturalist philosophy (the Physiocrats), the mercantile philosophy (Mercantilism), the theory of the "mysterious hand" (the Invisible Hand) of Adam Smith, the economic theories of Malthus and Riccardo and of the new traditional economics (Neoclassical Economics) and from the theories of Marx and Lenin up to the theories of the head of the "Chicago group" (Chicago School of Economics) and "reasonable expectations" (rational expectations macroeconomics). In addition he studied the various lessons in the economic policies and education of Japan during the Meiji period up to the economic development of the newly industrialized countries and from the reform policies of the socialist countries of Europe, China and Vietnam up to the ideology of struggle to build a new economic order in the highly industrialized countries. The difference between his economic views and those of most economic experts concerning various problems was that he wanted to get at the essence of the world's problems and grasped the real value of theories and practice with regard to these problems and with regard to the situation in our country. He saw their value for improving the work of every sector and every period. His keen vision in economics and politics helped our party avoid incorrect tendencies to the left and right, opportunism, conservatism, inflexibility, subjectivism, regionalism, factionalism, futurism, rigidity, instability, fantasy, individualism, being backward... For example our country was the first of the socialist countries which dared to use the system of the single price and the single exchange rate based on the market. Our country was resolute in setting up a market system which regulated the large state sectors and in applying the policy of the open door. These changes

acknowledged the principles for developing a commercial economy and were a response to the leftist philosophy which denied the advantages of the market and held that a market economy was just a basis for capitalism. This philosophy also mistrusted the policy of the open door, the policy for private ownership of land, the policy for turning government enterprises over to private ownership, the plan to make the agricultural family the basic economic unit for the national economy, and the policy to encourage each sector of the economy to expand. These were correct changes and were a clear response to the leftist ideology, the rightist ideology and the old system. Applying the policy of a floating currency based on the balance of the country's finances and the coordination of the two basic supervisory responsibilities of state administration with the hard currency transactions of the central bank were the right concepts to correct domestic inflation, and they attested to the progressive nature and ingenuity in our country which were in agreement with real conditions.

These correct economic concepts of Kaysone as well as his ideology did not just derive from his knowledge and intellect but also from his love of our country and its people, his strong concern for nation and class, his spirit of internationalism, and his revolutionary zeal. In this regard Dostoevsky (a great 19th century Russian author) correctly said: "great thoughts do not just come from great minds but also from great love."

I am able to say that his strong spirit of patriotism and concern for the nation spread over his ideology and actions completely. This was reflected not just in his resolute struggle for national independence and sovereignty for all the territory of our country but also in his concern for national unity and solidarity, self-reliance, and making oneself strong. This was reflected in the lines, plans and policies of our party. His ideology regarding solidarity and unity are a continuation of the great traditions of our nation which our ancestors left us from ancient times. In 1357, according to the book of Khoun Boulom, at the ceremony to celebrate a great victory at Vientiane, Chaofa Ngoum advised Chaophaya Senaamat and the people that: "If you have people, you will have riches. If you do not have people, you will not find riches. Let us not kill. The lords should not quarrel with each other but should look after the villages, towns and the people." We can say that our people were the greatest victors in the history of democracy and now are victorious in reform. It was not because we had more wealth or scientific and technical knowledge than other people, but because of the correct line of our party and our close solidarity which provided the strength for this great victory. Throughout this effort Kaysone was a model and a mirror for everyone. With his outstanding spirit and example he was able to inspire everyone around him including the members of the Politburo, the members of the Party Central Committee, the leadership of the party and state of various levels, the cadres, combatants and state employees as well as the multi-ethnic people throughout the country. In particular those

who worked with him all dedicated themselves body and mind to the common goal. Many foreign guests have asked me how Laos could engage in extensive reform in all areas without changing the leadership of the party or state; how the party, the rank and file of the cadres and the people could maintain solidarity; and why there was not a movement to overthrow the leadership. This was extraordinary when compared with other countries in the world. Kaysone's philosophy in this regard was that reform should be conducted to increase solidarity and unity in the leadership, in the party and among the people. In addition it should elevate internal solidarity to provide the strength for reform. Solidarity on the basis of the party line and constructive self-criticism on a mutual basis assured the operation of democratic centralism from top to bottom. This correct ideology derived from dialectical materialism and the principles of our party for building a party, which have not changed. This indicates that if one wants to conduct reform successfully, one must adhere to the principles of Marxism-Leninism because of its scientific ideas. Revolution and reality are united within the party and among the people and especially within the Politburo of the party Central Committee where this is fostered by the development of the roles for change. Kaysone became the real center for solidarity in the Politburo not just because he was always a model for virtue, concepts, revolutionary morality, and intelligence but also because he was affectionate, respectful, concerned and generous, and impartial toward his friends in the Politburo and others. Kaysone's outstanding spirit made the other members of the Politburo as well as my father respect him greatly. There was always great affection and respect between him and my father as everyone knew. It began during the secret revolutionary movement in the "Khaomet Hakphak Senbeng" forest. They rose and fell together until the time when the Lao united. An enemy betrayed them, and the leadership of the Lao Patriotic Front was sent to prison. Among them was my father. Kaysone was very concerned and tried everything to get the leadership out safely until he was successful. He always let my father have the highest position including President of the Free Lao Front, leader of the resistance government, President of the Lao Patriotic Front, and first President of the country under the new system. He was always the deputy. When he became head of the revolutionary movement, it caused my father to respect him even more. This demonstrates his revolutionary morality and great sacrifice, which was an important factor assuring solidarity in the leadership of our party. These are unusual qualities. He extended his affection and generosity not only to the leadership but also to the low-level cadres. For example he extended it to my family when someone was sick, after my wife gave birth or when I encountered some difficulty. He was always concerned and even provided milk and clothing to our small child. He gave my wife medicine and gave her advice and comfort regularly like a parent. This encouraged me and all my co-workers to work hard, train constantly and remain sincere with regard to the nation, the people, and the revolutionary duty of the party. France, a French

author, once said correctly that: "if one does not love mankind, one cannot have a sincere love of country."

Party Primacy, 'Rightist Democracy,' Roles for Others

*92SE0191B Vientiane PASASON
in Lao 11 Feb 92 pp 2, 4*

[Column by Misai]

[Text] In the resolutions of the fifth party congress, changes in the political system were mentioned. These changes in the political system do not mean changing the political system but refer to specifying the roles of each organization in the political system so that they are appropriate for the nature of each organization. These include the party, the state, and the united fronts and mass organizations. Each sector which belongs to the political system has specific rights and responsibilities and those rights and responsibilities are not in opposition but compliment and assist each other. Each sector can operate independently and on an equivalent basis, but they are all united in that they were all set up for the purpose of working for the benefit of the nation and the people.

The unity of the political system definitely does not allow any sector to take on any role. The party provides the leadership for the political system and leads by providing the major strategies and policies. In addition it supervises operations. It does not take the place of other sectors of the political system. The party leads by educating and providing models through its members who are affiliated with other branches of the system.

The state is the institution which carries out the intentions and exercises the power of the people throughout the country. It controls all areas of society. It organizes and operates according to the principles of democratic centralism and according to the authority given it by the people.

The united fronts, mass organizations, and other social organizations are organizations which supervise themselves and operate according to the principles of cooperation and equality. They have the right to join in the administration of the country and the right to supervise the operations of state offices, observe and make recommendations to those offices, and lead the administrative organizations of the state with the same status and role as other sectors of the political system as mentioned above. It is not possible to change these roles. If one were to change the leadership role of the party and make it take over the activities of some other sector of the political system, it would cause the party to become the state. It would change the party, which is a political organization and the basis for all leadership in the political system, into an administrative party with the "power" to change and control society.

If the party were an organization which operated over the organization of state power and if the leadership role

of the party were changed to encompass all the activities of the political system, then the state, which includes administrative powers, administrative powers and judicial powers, would lose its meaning.

In addition if the party became an organization with power, it would have absolute power separate from the people and would lose the faith of the people. It would not be a symbol of democracy and would not serve the people. It would be the master of the people.

If the party became an organization with power, then the entire political system would become a system of absolute power. Gradually the party would use the state as a tool to act as a dictatorship. The state would have the status of a juristic entity but would not have the power to make decisions. Everything would depend on the opinion of the party. The mass organizations and other social organizations would become administrative organizations which lacked any power or creativity and would wait for direction from the party.

In this situation the party would be behind the entire political system and would become an institution with absolute control. The result would be that the leadership role of the party would be changed and real power would be taken from the hands of the people.

If it took over the status and role of the state, it would limit or weaken the roles of the other sectors in the political system. The party is the center for leadership in the political system; it is the unit which provides political leadership for all of society. This is a principle which cannot be denied. This principle reveals the class orientation of the state.

The party leadership of the political system assures that the social contract between the workers, farmers and intellectuals is the basis for society and provides the strength of the state. On the basis of this strength the state is the seat of the people's power. The state is of the people, by the people and from the people. If the position and role of the state were changed, it would deny the leadership role of the party and weaken the independence of other organizations in the political system.

Since it is not possible to change the leadership role of the party and the role of the state in exercising power, it is not possible to change the roles of the other organizations in the political system.

The unity of the political system does not allow for change in the status and role of any sector of the political system. And in addition we must recognize the leadership role of the party and the power of the state, which comes from the people. It was set up like this to build a democratic society. When the society has attained democracy, the capabilities of the levels in society with regard to production and intellect will increase. The increase in production and intellectual capabilities will make it possible to carry out the policy of the social contract between the workers, farmers and revolutionary intellectuals. When this policy is carried out, society will

be more stable and the dictatorial powers of one class can be eliminated along with every manifestation of multi-party politics and rightist democracy.

The Lao political system specifies that the party is to have the leadership role, the state is to have the administrative role, and the masses are to have mastery. In essence this is state democracy. Although it is in the initial stages, its direction is toward broadening democracy and compassion on the necessary basis of maintaining the leadership role for the party, the power of the state, and the mastery of the people in building and expanding the system of people's democracy in Laos.

The leadership of the party and the power of the state must be guaranteed by law. If this is denied, it will destroy the structure and unity of the political system and cause confusion in society. The masses will lose direction and the power of the people will not be guaranteed.

The political system is the vehicle by which the people practice democracy. Therefore the unity of the system requires that each sector of the system must be a democratic institution. President Ho Chi Minh once explained: "Within the party we must practice democracy broadly. If we practice it broadly, we will be able to carry out well the principle of building the party and thus will be able to improve and expand the unity of the party. Since the party leads the political system, democracy within the party is necessary for democracy within the entire political system."

The state is stable and strong when it is a democratic institution. The relationship from top to bottom among the various state institutions is very complex; these institutions are both interrelated and independent (for example the relationship between the legislature, the administration and the courts). For this reason the state must practice democracy in accord with the legal system.

The mass organizations were not set up to administrate but as volunteer organizations of the people. If they are not run democratically, sooner or later they cannot avoid disintegrating.

The unity of the political system is only stable when each sector is in fact a democratic organization and the relationship between the sectors is democratic. This relationship is based on equality with no upper levels and lower levels. The system consists of partners who have joined together. They would not be partners if there were an upper level which gave orders to the other sectors. The party leads the political system with its own methods—this is not the leadership of an upper level which gives orders for the lower levels to follow.

Specifying the unity of the political system and the conditions to assure unity is important because if the unity of the system should be broken and changed, the system would not work.

MADC Officials on Development, Revenue to State

*92SE0195A Vientiane PASASON in Lao
22 Feb 92 pp 1, 2*

[Text] The Phu Doi Development Company, Ministry of Defense, which was established in 1984, has been engaged in developing the social and economic base in rural areas in Bolikhamsai Province.

Mr. Maithomchan Thanasin and Mr. Angkham Channani, members of the board of directors of this company, told reporters that even though the company has been carrying on construction work in Bolikhamsai Province for just a short period, good results have been achieved on various fronts. The company has built a new economic and technical zone at Km 20 in Khamkeut District. A complete social infrastructure has been built. For example, there is an airport, a 110-bed hospital, and several primary, secondary, and post-secondary schools, which has made it possible for all children to attend school. There is a small hydroelectric plant to generate electricity for the people, a market, plants that produce clothing, nails, and medicines, a sawmill that produces lumber for building houses, and so on. At the same time, investments have been made in building roads and an irrigation system and in expanding the farming area. For example, Highways 8, 8-R, and 12 have been paved with asphalt. More than 80 km have been paved. Several hundred kilometers of local roads have been built between Khamkeut and Viang Thong Districts and between Viang Thong District and Mok Mai District in Xieng Khouang Province. Irrigation systems have been built in several places. The farming area has been expanded by almost 1,000 hectares. Also, the Hmong tribesmen at Ban Thua Pae are now engaged in settled farming. They are raising livestock and growing various types of crops.

As a result of this, the social and cultural lives of the people have improved, and national defense and local security work has been strengthened. The people now have greater faith in the party and government, that is, the new system.

These members of the board of directors of the Phu Doi Development Company also said that several important things have been built. For example, a 1,500 kw power plant has been built along the Phao River. It will go into operation in 1992. Attention has been given to encouraging the people to build a new life in accord with the guidelines of the party Central Committee. To date, the company has spent more than 2,539,600,000 kip building various projects. A total of 3.6 billion kip in budget funds have been earmarked for various projects.

Insecurity, Army Leadership in Xieng Khouang

*92SE0191A Vientiane KONGTHAP PASASON LAO
in Lao 23-30 Jan 92 pp 2, 4*

[Excerpts] The Patchai Thahan Battalion of Xieng Khouang Province was a unit which had the duty of

maintaining the peace in Xieng Khouang Province. In the past, this unit created an influential role for itself with its brave struggle against the neo-colonialist invaders. The combatants of the Patchai unit were famous on every battlefield of the war. Today although this brave unit will always be heroic, it has encountered many kinds of difficulties. Bad groups have still not stopped their schemes to destroy the base of revolutionary support in these localities. This unit has also encountered difficulties in other areas. In particular its personnel now were generally replacement cadres and combatants. Their knowledge of ideology and leadership was still not great. The tactical knowledge of the combatants was not much better. A great many of the cadres, party members and combatants had to work long hours continuously. The party units and mass organizations have had difficulty finding the time to be fully engaged in politics.

Nevertheless these difficulties have not caused the cadres and combatants of the Patchai unit to become discouraged at all. [passage omitted] The party members have been models in every operation and especially when the unit was given the duty of destroying pockets of bad groups or of mobilizing the people to go to safe areas. [passage omitted] Therefore in 1991 the Patchai Thahan Battalion of Xieng Khouang Province was a unit which achieved outstanding results in its operations to destroy pockets of bad groups in many locations. This unit learned many lessons in mobilizing people deceived by bad groups. They separated out more than 20 such people and turned them over to local administrations in Xieng Khouang Province. They set up guerrilla networks totalling 35 members in two cantons where there were great difficulties and it was difficult for other units to conduct operations. What was most important was that by drawing on the great traditions of the unit, the cadres and combatants of the Patchai unit have become unified and have learned how to destroy the pockets of bad groups. This has assured security in those areas for which the unit was responsible and happiness for the people. They have also engaged in other activities: improving the unit, improving the living standard of the unit so that it was no longer average but was a leader, guiding those sections which were still working in the rear, and increasing crop and livestock production to improve living standards. They also worked to provide good living quarters for cadres and combatants returning from operations. [passage omitted]

Concern Continues over Students in ex-USSR

*92SE0193A Vientiane VIENTIANE MAI in Lao
19, 20 Feb 92*

[“Talking with the Readers” column]

[19 Feb 92 p 2]

[Excerpts] [passage omitted] [Question] I am the parent of a child who is studying in the Soviet Union. I don't know when my child will return or how much longer he

has to go before he graduates. And I'm not sure if he will graduate. [passage omitted] I thought that my child would return and use the knowledge gained to help defend and develop the country. But after hearing about what has been happening in the former Soviet Union, which has witnessed many complex political and economic changes, which have affected the living conditions and studies of the foreign students studying in the former Soviet Union, I am very concerned about my child. But there is nothing I can do to help my child, because I am a junior cadre who earns very little. After paying my own expenses every month, I don't have any money left to send to my child to supplement the allowance provided to him by the government. At the same time, I am very concerned about all the students who want to stay there until they complete their studies. And I am concerned about poorer parents, such as myself.

Can you give me any ideas on how to solve this problem? I would also like to ask the following questions:

1. The students attending schools in the ex-Soviet Union now receive enough money from the schools to live for only four to five days. What measures will our government take to help these students so that they have enough money to live on there?
2. If parents are financially able to send money and clothing to their children there, how can they send these things to their children (to ensure that the money and articles are not lost)?
3. If a republic in the ex-Soviet Union refuses to allow Lao students to continue their studies because of the difficult economic situation and sends these students back to Laos, will our government implement a policy of allowing these students to complete their education here? That is, if a student is majoring in a certain subject, will he be able to complete his studies in that field in Laos? [passage omitted]

[20 Feb 92 p 2]

[Text] [Answer] 1. As we have said before, after the Lao ambassador to Russia takes up his post there, the issue of student allowances will be raised. Students may not receive very much money, but it should be enough to live on. No one can study if he is hungry. The important thing is to tell these students that they must be frugal. They should buy only what is absolutely necessary.

2. As for sending money and goods, sending things by mail is safer, although this may be slower. This is because the number of flights between Vientiane and Moscow has been reduced several times. But this is still better than sending the money with someone else. Because if money is taken into another country and the person lacks documents, that could be a violation of that country's laws. Moreover, this could create problems for the person entrusted with the money. And if the money is seized, the person who entrusted him with the money may think that he stole the money.

3. Students should be allowed to continue their studies here if necessary. But it will probably be difficult for all returning students to continue their studies here, because we don't have the same programs or enough schools to meet demand. For example, for the past several years, at the Dong Kham Chang School of Finance, some classes have had up to 100 students even though international standards state that class size should not exceed 45 students. But at that school, class size is often three times that. This is because many people want to study there. Besides this, other schools have the same problem. As for building new schools to receive these returning students, that is not easy because of the limited amount of money available. Thus, people who have children studying in the ex-Soviet Union should be prepared to accept whatever happens. If their children have to return home before graduating, they should not feel bad. The party and state have provided funds to send students abroad and so how can you criticize the party or state.

Official Comments on PRC Border Economic Problems

92WN0366A Vientiane PASASON in Lao 13 Feb 92 p 2

[Excerpts] Phong Saly Province is located in the mountains where business is lacking and communications have not yet penetrated making travel by the people difficult. Therefore agricultural production in the localities there is generally traditional and backward. It is production for subsistence; 90 percent of the farmers are engaged in shifting, dry-field agriculture which involves the destruction of natural resources. Every day the ground becomes more arid, and now province officials are trying to find a way to preserve the environment. [passage omitted]

Mr. Mai-ounkham Mavongsa, a member of the province administrative committee and head of the Phong Saly Province agriculture and forestry service told me that in 1991 there were 31,396 hectares throughout the province devoted to rice production. Of this only 4,581 hectares were wet-field rice. There were 17,800 hectares devoted to starchy crops. Each year the people clear forest for dry-field agriculture. More than 44,300 hectares is used for this sort of agriculture. They rotate the use of this land on an eight year basis. It is felt that this is the province with the most forest destruction after Vientiane Province, Khammouan Province, Savannakhet Province, Champassak Province, and Bolikhamsai Province.

Since rice production is primarily of the dry-field variety and there is also the danger of natural disasters from past destruction, for example in two districts on the plains where there is wet-field rice cultivation and the rice cultivation is concentrated, floods have caused a great deal of damage, and the districts in the mountains have experienced droughts and a great deal of destruction from plant pests, therefore rice production has fallen. Rice production for the entire province was 46,468 tons, which amounts to 350 kg of rice per person per year. This combined with the starchy crops makes them

self-sufficient for 11 months. They lack food for one month. However there are two districts which have a surplus of rice to sell: Boun Neua District and Boun Tai District. There are two districts which are self-sufficient in food: Gnot Ou District and Mai District. The districts which are short of rice are: Khoua District, Samphan District and Phong Saly District. When calculated, this shortage amounts to 4,385 tons. The floods eroded away 414 hectares of the people's wet-field rice land and destroyed irrigation ditches in 526 locations. This damage totalled more than 578 million hectare.

Because of this situation the administration of Phong Saly Province concentrated its efforts on carrying out the production plan for the dry season to prevent hunger. [passage omitted] On the plains they concentrated on growing rice and commercial crops, bringing back forests, and preserving water sources in dry-field crop areas. This involved inducing the people to engage in fixed

production, ending the forest destruction associated with shifting cultivation, preserving the environment, having the people concentrate on growing commercial crops, and encouraging animal husbandry on a broad basis as an export to bring in an income for the families.

Mr. Mai-ounkham expressed the opinion that in order to correct the situation mentioned above the government and the Phong Saly Province administration needed to increase the effort to provide the investment and technology for building up the province, for carrying out the policy of building the countryside, for ending traditional production and advancing to a commercial economy by correcting the problem of the lack of communications between the plains and the countryside, for providing electrical power for lighting for the people, and for promoting the creation and training of various kinds of technical cadres so that their numbers would increase appropriately.

ECONOMIC

Business Outlook for First Six Months of 1992

92SE0206A Petaling Jaya SIN CHEW JIT POH (MALAYSIA) in Chinese 2 Apr 92 p 3

[Text] (1 Kuala Lumpur 1 April) An overwhelming majority of manufacturing firms canvassed in Malaysia believe that the biggest problem to be faced during the first 6 months of 1992 will be the shortage of skilled labor and the increased cost of raw materials.

A Malaysian Industrial Development Authority survey of 150 manufacturing firms shows that 80 percent of responding firms believe that the biggest problem they face is the shortage of skilled labor.

In addition, most firms in industries other than those using raw materials other than metal in their products noted that intense inflationary pressures will cause a rise in raw materials costs.

The Authority surveyed 150 manufacturing firms, 133 of which replied. This survey included the firms performance from July through December 1991, and their outlook for the first six months of 1992.

The survey report reflected the manufacturing firms past performance and future outlook for production, exports, domestic sales, energy use, reinvestment, employment, and average production costs.

On the subject of how to boost sales performance during the coming six months, the canvassed firms expressed concern about possibilities for increasing both domestic and export orders as well as how to ensure both product quality and sales prices in order to improve their competitiveness.

They also noted the need to improve their existing market share in order to expand production capacity and increase supplies.

Regarding the outlook and their views on the first six months of 1992, they predicted no major changes in either production or the total amount of production, but 58 percent of those responding believed they might be able to expand production volume.

Production Volume Will Decline in Many Industries

A decline (-4.5 percent) is predicted during the coming six months in the production of machinery and transportation equipment industries. A decline in production is also forecast for non-metallic products, textile, apparel and shoe leather, beverage, and tobacco products industries.

Thanks to urgent export demand, total manufacturing industry sales volume for the first half of 1992 will remain the same as during the previous six months.

However, forecasts call for damage to automobile assembly industry sales resulting from the new regulations on motor vehicle loans. This will produce an 11.3 percent drop in the total sales volume of the machinery and transportation equipment industry. During the past six months, both industries saw continued growth.

A 32.6 percent growth in sales is forecast for electrical appliances sales. This is attributable largely to the fine export market for air conditioners and electrical appliance parts.

Slide in Domestic Sales

Forecasts call for a 1.3 percent slide in domestic sales during the first 6 months of 1992.

In short, views differ about domestic sales in different industrial fields. Industries expected to increase sales are those that make electronic products and wooden products, the increase being 5.7 and 5.3 percent respectively.

A 12.5 percent slide is forecast for domestic sales of the machinery and transportation equipment replacement parts industries.

In the export sales realm, the outlook is for a continuation of a good showing, total exports forecast to rise 7 percent. Exports making a special showing are electrical products (up 84.7 percent), metal products (up 42.4 percent), non-metal products (up 18.1 percent); paper products, printing and publications (up 16.1 percent), and rubber products (up 13 percent).

Since no major expansion plans exist, the forecast is for no large amount of hiring during the coming six months, an only 3.2 percent increase expected. Salaries are expected to increase 5.8 percent because of the labor shortage.

During the first six months of 1992, average production costs are expected to increase an additional 3.5 percent. Electronics products manufacturing firms foresee a rise in production costs attributable to overly high labor costs and to increased prices for local and imported raw materials, which will increase their production costs tremendously.

Average 1.5 Percent Rise in Sale Prices

A conservative forecast calls for an average 1.5 percent rise in sale prices in the manufacturing industry. Paper products, printing, and publishing prices are excepted to zoom 6.2 percent, but the increase is expected to be only tiny in other industries.

Despite the trend toward slowdown in business expansion, 45 percent of the firms canvassed said they will increase their capital investment plans for the purchase of new plant and equipment.

Between July and December 1991, total output of manufacturing industries rose 12 percent, machinery and transportation equipment scoring the highest growth—

24 percent. Production of electrical appliances increased 17.9 percent; textiles, apparel, and shoe leather 16.3 percent; wood manufactures 11.5 percent; and food, beverages, tobacco, and coconut oil 10.6 percent.

Total sales volume during the aforementioned period increased 11.9 percent, greatest growth taking place in machinery and transportation equipment at 24 percent; wood and wood manufactures, 20.7 percent, textiles, apparel, and shoe leather, 16.8 percent; metal products,

14.3 percent; chemicals, petroleum and plastic products, 12.8 percent; rubber products, 12.3 percent; and electronic products, 11.4 percent.

Domestic sales performance increased in a steady 8.3 percent rise.

Export sales saw a 16.6 percent growth. Noteworthy was the most outstanding performance of metal products, export sales of which zoomed 82.4 percent.

Capital Investment Forecast for First six Months of 1992 (%)

Industry	Number Responding	Land and Structures			Plant Buildings and Machinery			Other		
		Down	Even	Up	Down	Even	Up	Down	Even	Up
Food, Beverages, Tobacco, and Coconut Oil	24	71	-	29	58	-	42	67	-	33
Textiles, Apparel, and Shoe Leather	13	77	-	23	54	-	46	85	-	15
Wood Manufactures	12	100	-	-	75	-	25	92	-	8
Paper, Printing, and Publishing	6	67	-	33	50	-	50	33	-	67
Chemicals, Petroleum, and Plastic Products	16	69	-	31	44	-	56	88	6	6
Rubber Products	9	89	-	11	56	-	44	78	-	22
Non-metal Mine Products	10	60	-	40	70	-	30	70	10	20
Metal Products	11	64	-	36	27	-	73	45	-	55
Electronics Products	15	40	13	47	40	-	60	67	13	20
Electrical Appliances	8	63	13	25	50	-	50	63	25	13
Machinery and Transportation Equipment	9	100	-	-	89	-	11	78	-	22
Grand Total	133	71	2	26	55	-	45	71	5	24

Benefits of "Look East" Policy Questioned

92SE0208A Petaling Jaya SIN CHEW JIT POH (MALAYSIA) in Chinese 27, 28, 30 Mar 92

[Article in three installments by Cheng Ting-hsien [6774 0002 6343]: "The 10 Year Record of 'Look East'"]

[27 Mar p 3]

[Text] "Vision 2020 is a great objective about which people of all classes are familiar today. It is also a vision that all citizens are sworn to strive to achieve in practice.

While we are bending every effort to make even greater accomplishments, do we still remember that yet another vision—"Look East"—was established 10 years ago?

Yes, 10 years have passed in the twinkling of an eye since the Prime Minister proposed the "Look East" policy 10 years ago.

Although no time limits were placed on the "Look East" policy; nevertheless, what we have gained and what

mistakes we have made in the course of prusuing this inherently valuable oriental happy life are worth exploring.

In this article, this newspaper specially provides its readers with a series on "The 10-Year Record of Look East," analyzing from various angles the arrhythmic course of the past decade.

"A 10-Year Record of Look East" is divided into three parts.

Part 1

"Look East" is one of the phrases that Malaysians have used for many years. From political forums to coffee shops in small villages, it is on people's lips. Without realizing it, this phrase has been around for a decade. That's right, a decade!

When Dr. Datuk Seri Mahathir Mohammad initiated the "Look East" policy in 1982, people were more questioning than approving. Now, 10 years later, all over Malaysia there are Japanese industrial plants, Japanese

super markets, Japanese technology, and Japanese management concepts. Not only Malaysia, but southeast Asia and even all East Asia have become a Japanese economic power sphere.

Ten years ago only Malaysia openly deigned to go all out in asking Japan for advice. Ten years later, the whole world—including the United States—is hastening to take a page out of Japan's book.

While praising the prime minister's great foresight, just what is the road eastward that Malaysia is taking? What has been gained during the past decade? And what has not been gained?

Judged in terms of current national economic performance, the "Look East Policy" has truly been very successful. However, a look back at the past 10 years shows the road has not been smooth by any means. One might even say it has been beset with difficulties.

An examination of the look east policy 10 years after shows not only the prosperity of the present, but the numerous setbacks of the early period.

The core idea of the prime minister's policy is to learn hard work, discipline, and the group spirit of Japanese enterprises. However, beyond this spiritual level, everything is empty talk without substantive capital and technology.

However, during the early 1980's, the international financial picture was very different than it is today. Japan was not as flush with capital in those days as it became later on. Former Prime Minister Nakasone said at the time that despite Japan's economic retrenchment, it generously provided loans to support Malaysia's look east policy. In 1982 alone, Japanese yen loans amounted to 3.5 billion ringgits.

These loans were used for various large heavy industry plans as well as for capital construction plans. Examples included the automobile, steel, and cement plants of the Malaysia Heavy Industry Organization, as well as the Baka Electric Power Plant, the Sabah natural gas transportation network, the Pelabuhan Kelang Electric Power Plant, etc.

The Malaysia Heavy Industry Organization plan encountered serious frustrations during the early period. For the 1987-1988 period, losses amounted to 370 million ringgits, and by 1989, cumulative losses approached 1 billion ringgits. It was not until the late 1980's that these companies gradually began to show a profit.

At the same time, in 1985 the seven major industrial countries reached an agreement to appreciate the yen greatly. This hurt Malaysia greatly because its Japanese yen debt suddenly doubled, becoming a huge burden for the country.

For example, the foreign debt of the Bowanuo [phonetic] Iron and Steel Mill inflated to 70 million ringgits, and Kedah Cement's debt increased nearly 40 million ringgits.

Bowanuo's experience provided an even more tragic lesson. This large iron and steel mill had been built with a 1 million ringgit loan in cooperation with Nippon Steel. Experimental steel-smelting equipment had been purchased from Japan. Unfortunately, its direct deoxygenization method failed, necessitating a change to the collection of scrap iron to produce billets, which was not only very costly, but also produced inferior quality steel. This caused grievous losses. Before reorganizing, cumulative losses mounted to between 600 million and 700 million ringgits.

Apart from Japanese yen credits, Malaysia did not take in very much investment capital during the first half of the 1980's. Statistics from the Japanese Overseas Economic Cooperation Fund show that after the inauguration of the look east policy in 1982, the amount of Japanese investment that Malaysia received did not increase. In 1982, for example, Japanese investment amounted to approximately 500 million ringgits. During the four subsequent years, investment was less than 500 million ringgits. By comparison with today, this may be said to have been next to nothing.

In 1985, prices of unfinished products fell. Manufacturing industries were unable to make ends meet, and results from major construction plans fell short of expectations. This, plus the heavy debt burden, resulted in a serious decline of the Malaysian economy.

In any event, the appreciation of the Japanese yen also brought new vitality to the Malaysian economy. Numerous Japanese firms were shocked at the extent of appreciation of the yen, and they moved out of Japan on a large scale. This was particularly the case for labor-intensive and low technology industries.

Government's adoption of an unrestricted economic policy constituted a blow at another level. This included the approval of a 100 percent foreign capital equity for some exports.

Beginning in 1987, the influx of a large amount of Japanese investment replaced the Japanese yen credits to become the main source of capital for economic development. In 1988, Japanese capital exceeded 1 billion ringgits for the first time. In 1989, it approached 2.7 billion ringgits, and in 1990 it created a 4.2 billion ringgits record. In the following year, however, it went back down somewhat to approximately 3.2 billion ringgits.

This 10 year-long record shows that the sedulous look east policy did not produce the anticipated results during the first five years; it was not until the second five years that things moved along smoothly.

[28 Mar 92 p 3]

Part 2

[text] *The 24 year old Huang Laide [7806 0171 1795] graduated from the engineering department of the University of Malaysia in 1991. Given the current employment market situation, many jobs await him, including jobs with both Japanese and American corporations. Which job to take is rather perplexing.*

A Japanese corporation offered a monthly salary of 1,400 ringgits, plus a 200 ringgits transportation subsidy. An American corporation offered a monthly salary of 2,200 ringgits, plus a 300 ringgits living expenses subsidy. However, just out of school, salary is not the absolute standard for Huang's choice of work; he also considers the status and the prospects of a position.

Consequently, he contacted professors in his department and older students who were already employed, asking them whether he should join the Japanese or the American corporation. On the basis of past experience, everyone informed him that Japanese corporations usually offer new graduates only a technician position, but not a position as an engineer. On the other hand, American corporations offer engineer positions. In addition, even after serving in a Japanese corporation for a very long time, opportunities for taking charge of a department are very hard to come by, while one can very quickly gain confidence at a high level in an American corporation and be given full authority and responsibility.

After hearing these views, Huang Laide selected the American corporation without hesitation. One year later, he found that this choice was the correct one as far as he was personally concerned. Many of his classmates who had entered Japanese corporations were still looking for a chance to get out.

Statistics show approximately 900 Japanese corporations in Malaysia today from the enormous Matsushita, Sony, NEC, and Canon to numerous medium and small size corporations manufacturing spare parts, as well as construction companies, banks, securities business branch companies, and representatives.

Without doubt, they have brought in money as well as employment opportunities, but local business firms grumble somewhat about Japanese investment. Those who work in Japanese-owned corporations feel that not only are salaries lower than in American-owned corporations and large local business enterprises, but opportunities for promotion are not good either. Usually one can only become a middle level officer in the corporation. Nor are the owners willing to share profits with employees. They send all profits back to the homeland.

A local engineer said that because of the manpower shortage in recent years, a general situation has occurred throughout the market of luring away employees with higher salaries, but Japanese businessmen are disliked

for suppressing the manpower market. "One Japanese corporation lured away an electronics engineer from another Japanese corporation with a monthly salary that was 30 percent higher than the going amount. The local Japanese electronics industry regarded this incident as "breaking guild regulations." As a result, approximately 100 firms in the same industry agreed not to lure employees away from each other in order to avoid payment of higher salaries."

However, he said that very many Japanese corporations are willing to provide training such as allowing managerial personnel, engineers, and seasoned technicians to go to Japan for training. This is a benefit that Japanese corporations provide.

On the subject of most Japanese-owned corporations not being willing to permit locals to assume high level positions, he said there are two main reasons. One is the language barrier. Because of their educational background, very few locals are able to master fluent Japanese, and naturally the Japanese management levels cannot accommodate a small number of people.

This is also a cultural issue. Japanese find it very difficult to accept foreigners as leaders or for non-Japanese to sit with them as equals in a corporation.

For ordinary workers, conditions in Japanese-owned corporations likewise hold no attraction. The unpleasant working environment and the mass reductions in force are matters for which some Japanese corporations are criticized. Even though non-Japanese owned corporations are also guilty of these shortcomings, in Japan this never happens.

For example, in 1991 Hitachi retrenched more than 500 personnel because it did not approve of personnel joining the National Electrical Appliances Industry Workers Federation.

In addition, the technology transfer issue has always been a key point on which Japanese-owned corporations have been attacked. From the public to the government, there is regret about Japanese investment "concealing one hand" on technology.

On the other hand, one local entrepreneur said: "This technology belongs to them, and it is also a tool that creates wealth for them. If they are unwilling to impart it, there is really nothing we can do about it."

The central bank looked into the performance of Japanese-owned corporations in the transfer of technology. One official said that there is no doubt whatsoever that the performance of Japanese corporations in this regard is inferior to that of American-owned corporations.

However, the Japanese owners feel that their local suppliers or partners do not meet their technological standards, and that this hurts their products. Looked at from this angle, unless the Japanese owners are sticklers, they themselves will be hurt. Yet another objective of the

"Look East" policy is the assimilation of Japanese technology. Malaysia is an emerging newly industrializing country that needs assistance in the form of sophisticated technology. Without it, it cannot become economically independent.

Malaysia's cooperation with Japan might be said to be the "linking of interests." Although it holds very great economic benefits, too great a "self-benefit" frame of mind on the part of the Japanese owners generates conflicts in the distribution of resources. Subjectively, Malaysia needs to import capital and technology, so objectively it is under the control of others.

In any case, Japan can find numerous other investment climates similar to or superior to Malaysia, but Malaysia cannot find sources of investment (including capital and technology) that can replace the role of Japan. This is a universal lament of developing countries.

[30 Mar 92, p 2]

Part 3

[text] The dense rubber plantations that once surrounded the capital of Malaysia have disappeared recently in recent years. The land has been very rapidly decked out in new attire, becoming verdant golf courses. The empty spaces or old buildings around the edges of the city have also changed their appearance as row upon row of luxury condominiums tower aloft.

The developers of the golf courses and condominiums feel that their business holds very good prospects "because there are more and more Japanese locally."

These Japanese permanent residents of Malaysia are backed by the great power of Japanese capital in Malaysia. In addition to the nearly 1 billion ringgits cumulative investment during the past several years, this power includes approximately 20 percent of Malaysia's foreign trade, countless employment opportunities, and unquantifiable Japanese technology.

Of course, these benefits are not without cost. The annual profit repatriated from Japanese investments comes to a sizeable sum. Included in Malaysia's service accounts deficit for every year between 1985 and the present has been a 5 billion ringgits repatriation of trade profits, and the percentage of this that Japanese corporations account for is certainly not small.

Trade causes even greater misery for Malaysia. Americans anger against Japan is because trade between the two countries is disadvantageous for the United States. It causes huge American deficits. In terms of the size of their economies, Malaysia suffers no less than the United States in trade with Japan.

According to the most recent 1991 report of the central bank, the value of Malaysia's exports to Japan totals 15.9 billion ringgits, but the value of Japanese shipments to Malaysia amounts to 26.35 billion ringgits. Thus,

Malaysia bears a 10 billion deficit. The deficit from trade with Japan alone equals Malaysia trade deficit with the rest of the world.

Big Increase in Trade Deficit

This situation is not only limited to Malaysia. Korea's and Taiwan's deficit with Japan is nearly \$10 billion, more than double that of Malaysia. The size of this deficit makes the two countries unwilling to have Japan build the new trunk lines for their high-speed railroad plans. However, Malaysia's resistance is far lower than Taiwan's or Korea's, nor can Malaysia cause an uproar like the United States. All it can do is suffer in silence.

Actually, aside from petroleum and other unrefined products that can be sold in the Japan market, Malaysia truly has very few other products of interest to Japan.

For example, it was not until 1991 that there was an opportunity to export to Japan the electronic products that Japanese investors produce in Malaysia. This is extremely ironical, and it also demonstrates the utterly aggressive nature of Japan's trade with the outside world while it practices protection at home in many regards.

People who feel that Malaysia's economic ties to Japan will cause suffering for Malaysia also feel that the goals that Japan was unable to fulfill in World War II it has fulfilled after the war. Is not the Japanese yen bloc in East Asia today precisely a reproduction of the "East Asia Co-Prosperity Sphere" that the Japanese militarists wanted to establish!

The Japanese External Trade Revitalization Organization (JETRO), and the Japanese International Cooperation Agency (JICA) conducted a study in 1991 of economic cooperation between this region and Japan that recommended that Malaysia should concentrate on the development of precision castings, and small computers and spare parts, as well as attract more Japanese investors.

Beyond this good intention, more perceptive people may ask that if this goes on for a long time, will not Malaysia's economy come under control of Japan for the benefit of Japan. Malaysia and other countries in this region will then have to manufacture the products that the Japanese need. Later on the size, the character, the products, the prices, and the output of each country's economy will be under control of others. They will only be able to become economic colonies.

Ultimate Loss of Ability To Make Own Decisions

A local industrialist said, "Local companies that cooperate regularly with Japanese investors, such as parts suppliers, have to be psychologically prepared. At first, it is like a honeymoon, but after cooperating for a period of time, once the local company becomes increasingly dependent on the Japanese, the Japanese began to force down prices or demand contract revisions to make the conditions for cooperation more favorable to them. By

this time the local company has lost the ability to make its own decisions. All it can do is go along with whatever the Japanese say."

Possibly this negative view of Japanese investors makes a certain amount of sense, but given present realities such apprehensions are something of a luxury. Malaysia's economic development cannot be imagined without Japanese participation. Malaysia's need for Japan far exceeds Japan's need for Malaysia. This is a fact. The larger the influx of Japanese capital, the more it is bound to be welcome by the government and public of Malaysia.

However, a situation has now arisen that neither Malaysia nor Japan can control. Following a long period

of growth, Japan's economy has recently showed signs of weakness. The deputy minister of Japan's International Trade and Industry Ministry, who recently visited Malaysia, said that Japan will slow investment abroad or even withdraw some capital from abroad. Actual figures show even more. Approved Japanese investment in Malaysia declined from 4.2 billion ringgits in 1990 to 3.15 billion ringgits in 1991 in a 25 percent slide.

An economic analyst in an international securities corporation believes that if this situation continues, Malaysia, Thailand, and India—all of which are overly dependent on Japan—will have a recession.

If this development is difficult to avoid, Malaysia must ask itself: Are we too dependent on Japan?

THAILAND

MILITARY

Details on Sunthon's Minor Wife, Trips

*922E0131A Hanoi QUAN HE QUOC TE
in Vietnamese Jan 92 p 10*

[Article: "Sues Person Bearing Husband's Surname"]

[Text] The woman with the happy face in the photograph is singing with General Sunthon Khongsomphong, former Thai Armed Forces supreme commander, is Amphaphan Khongtoranong, who was the subject of a Thai press affair in 1991. Her former name was Arunwan Arunmuang. She is 39 years old and had two children by her former husband.

Eight years ago, when Gen. Sunthorn was hospitalized and Arunwan was a nurse, the prominent 57-year old general and the pretty, sweet 31-year old woman with dreamy eyes were pleased with each other. They returned to live in a private residence in Bangkok and appeared together at receptions and on foreign trips by the supreme commander. Then Arunwan changed her surname to Khongtoranong and revealed that she'd been accepted by Gen. Sunthorn's mother. Time went by.

The drop of water that caused the full glass to overflow was Amphaphan accompanying Gen. Sunthorn to Paris to attend a weapons exposition. Encouraged by her friends, his legal wife sued Amphaphan for taking her husband's surname and demanded compensation of 50,000 Bhat (\$2,000) for every day she used that surname. In the delicate situation of the Thai political scene following the Army coup in mid-February 1991, the press exploited that suit to the maximum. But the court rejected Mrs. Sunthorn's suit because no one has a monopoly in using a surname and Amphaphan's name change did not directly harm the plaintiff. Gen. Sunthorn apparently straightened things out in his family. The suit was withdrawn.

In an interview on that affair, an old farmer advised Gen. Sunthorn to study this experience: by means of "both stern and lenient" measures he was able to "control" relationships among his six wives and maintain domestic tranquillity.

ECONOMIC

Association Supports Software Protection Law

92SE0217B Bangkok BANGKOK POST (POST DATABASE) in English 8 Apr 92 p 1

[Article: "CAT To Support Law To Protect Software"]

[Text] The Computer Association of Thailand (CAT) last week announced its support for a law specifically protecting computer software and proposed this stand-point to the Intellectual Property Department of the Commerce Ministry.

CAT President Thavisakdi Thangsupanich said that Thailand needed a law that would protect both local and foreign computer software.

Without such a copyright law, he said the local software industry would suffer because local software developers would not invest in software development here.

Thavisakdi, who was recently re-elected as the CAT president, also announced six policies that the new committee would implement during its two-year term.

He said that the committee's first priority would be to help develop and support a national information technology policy, and its second priority would be to support the establishment of national standards in computers and national information technology.

The committee also plans to set up standards for computer professionals that would be certified by the Office of Civil Service Commission.

CAT, he said, realised that the shortage of computer-skilled personnel was the biggest problem facing the IT industry here today, therefore it would organise some courses and seminars to help in alleviating this problem.

Also, this year the committee has agreed to set up a chairman in charge of industry development. The position was given to Shinawatra Computer and Communications Group executive Niwat Boonsong. He, who will be responsible for a number of different tasks, would play an important role in the national computer industry, according to Thavisakdi.

Thavisakdi added that CAT would also cooperate with other government and non-government agencies in setting up a national database and information centre for information technology.

Toshiba Semiconductor Plant Opens

92SE0217A Bangkok BANGKOK POST (BUSINESS POST) in English 19 Mar 92 p 24

[Article: "Toshiba Semiconductor Officially Opens Facility"]

[Text] Toshiba Semiconductor (Thailand) Co. [TST] yesterday officially opened its new production facility in the Bangkadi Industrial Park some 35 kilometres north of Bangkok and announced that the company started full-scale production this month.

TST was established in October 1990, with a capital of 360 million baht. Construction of the plant and the office facilities was completed last November at an initial investment of 960 million baht and pilot production started the following month.

The company currently employs some 300 people, expected to rise to over 850 by the end of 1995 as production continues to expand.

The Bangkadi plant manufactures transistors and bipolar-type LSIs—key electronic components primarily used in audio-video products such as colour TVs, VCRs and stereo equipment.

Most of the plant's output will be exported to the Asia-Pacific and other world markets, including Japan and Europe.

Current output stands at one million bipolar LSI chips and 30 million transistors per month.

Plans call for production of transistors to increase to 80 million per month by the end of 1992, and to 160 million by 1995.

The target for bipolar LSIs is three million pieces per month by 1995.

The company will invest an additional 850 million baht in this expansion programme.

Toshiba Corp senior executive vice president Tsuyoshi Kawanishi stated yesterday: "TST will become a key manufacturing base for Toshiba, allowing us to effectively cope with the fast growth of the semiconductor market in the Asia-Pacific region."

According to U.S. market research firm Dataquest, Toshiba is the leading supplier of semiconductors in Asia with a gross market share of some 8 per cent.

TST president Toshio Yonezawa commented that little more than six months after the May 1991 foundation stone laying ceremony, the new plant started initial production—a record for any of Toshiba's production facilities worldwide.

"The start-up production has gone as smoothly as Thai silk, and our first shipment was made in January this year," he said.

POLITICAL

Mai Chi Tho Interviewed on City's Assault Youth
*922E0130C Ho Chi Minh City TUOI TRE
 in Vietnamese 28 Mar 92 p 8*

[Interview with Mai Chi Tho and other officials of Ho Chi Minh City's Young Volunteers Force, by TUOI TRE Correspondent TC, on the occasion of the force's 16th anniversary; place and date not given]

[Text] In a recent meeting with a TUOI TRE correspondent, Comrade Mai Chi Tho, who, together with Comrade Vo Van Kiet, once applied himself to guiding and fostering the Young Volunteers Movement in Ho Chi Minh City, said: *Nowadays, the Young Volunteers Force [YVF] in Ho Chi Minh City has gone too far on the road of economic work and has gradually lost its character. The young volunteers' spirit must be restored on the fronts of economic development, defense of national culture, social work, protection of national security....* Proceeding from this suggestion, the TUOI TRE correspondent has conducted a number of short interviews around the question of restoring a *Young Volunteers Force* true to its name.

Comrade Mai Chi Tho

[TUOI TRE] *Comrade, the YVF in Ho Chi Minh City is currently doing economic work with efficiency; but according to you, assault units still must be set up once again?*

[Mai] That's right. On the occasion of the founding anniversary of the YVF in 1991, I broached this idea with some of the force's leaders. At the present stage, it is natural that the YVF must do economic work, but it must not lose its character. Our country is facing burning problems in the economic, cultural, ethical, social, and other fields, and badly in need of assault youth units.

[TUOI TRE] *But on these fronts, there still are the activities of the Ho Chi Minh Communist Youth Union and other mass organizations....*

[Mai] The other mass organizations are doing their part, so are the people, especially in the field of cultural and social work, but their activities do not add up to the work of a large organization. I think that assault units must be set up at once to attract the youth into their ranks. Ho Chi Minh City has considerable experience in this work.

Talking about social work alone, we can see that the multisector market-oriented economy has brought about fresh and strong economic development, but it has also resulted in a new class division and increasing disparities between the rich and the poor.... It is necessary to open our door to the outside world, but the harmful things coming from the outside have also bred more negativism inside the country. The demand for social justice and morality is becoming more and more imperative. Because the people are very sensitive about this matter,

the movement for charitable work has developed vigorously. Even in other countries, the state alone cannot do all social work but needs the contributions of efforts by nongovernmental organizations. The YVF must jump into this field of activities.

[TUOI TRE] *So, the YVF you mentioned can be a "voluntary" youth organization?*

[Mai] We have agreed that an Assault Youth Force must be organized. As for how it should be set up, there should be further discussion on this matter.

Huynh Xuan Luy, secretary of the YVF Party Committee

[TUOI TRE] *Have you heard about Comrade Mai Chi Tho's idea?*

[Huynh] In the meeting with Comrade Mai Chi Tho, I, YVF General Director Le Quang Thung, and former YVF Commander Le Thanh Hai were present. We explained to Comrade Mai Chi Tho that since the YVF had to carry out profit-and-loss accounting, it has no longer been able to organize assault activities as a movement. However, I affirmed that if the city decided to entrust our force with a project, we were prepared to accept it. For instance, the YVF recently held discussion about participating in clearing the slum areas and dredging the polluting canals and ditches in the city....

Le Thanh Hai also said: *If the YVF is to contribute to society, it must be given work to do.* Previously, he had proposed that the money coming from the sales of level-III and level-IV houses at official prices should be used to finance the building of collective housing quarters, the clearing of slum areas... by the YVF.

[TUOI TRE] *What do you think of the view that the YVF should be organized as a voluntary army of young people equipped with scientific and technical knowledge who voluntarily contribute their efforts, an army that will assume the construction of major projects entrusted by the state, practice profit-and-loss accounting as an independent unit, receive part of its budget from the state, and enjoy the assistance of socioeconomic organizations at home and abroad...?*

[Huynh] We have not thought about that yet. But I think that with the contingent of scientific and technical cadres and the young people we now have at our disposal, we can satisfactorily carry out any project entrusted by the state.

Nguyen Anh Tuan, YVF deputy general director in charge of production and business operations

The YVF did a very good job when it participated in the Tri An hydroelectric power project. I think that the YVF will be able to carry out any major projects entrusted by the state in the future.

VYF General Director Le Quang Thung

I think that the YVF still attracts the youth. The proof is that it still receives applications for membership. The YVF does not fear difficulty and hardship, nor is it reluctant to go to faraway places. If there is work to do, it is prepared to take off.

Economic Researcher Lam Vo Hoang

[TUOI TRE] *Last year, on the occasion of the YVF's 15th anniversary, you wrote an interesting article in which you made suggestions about the organization of a contingent of young volunteers. Many people think that some points raised in your article are too idealistic. Did you hear about that opinion and do you still maintain your viewpoint?*

[Lam] I think that it is high time to organize the training of such a contingent. The idea is labeled idealistic, but in fact, it is realizable. This contingent must drill gradually so that it may be able to get down to national construction at once after the embargo is lifted. For example, the United Nations is planning to give Cambodia \$800 million in aid. If that country has an idealistic young volunteers force as I described, that money will be used most efficiently to build a lot of projects. Those who head such an idealistic force must have a good knowledge of management. The force itself must employ people equipped with essential scientific and technical knowledge to serve as the frame for an organization of young, healthy, and zealous persons. It must be equipped with modern machinery, adequately paid in order to recreate labor power, and assured of proper working conditions. Its funds may be partially provided by the state and other social organizations. I picture this force as a competent, prestigious specialized army of builders capable of assuming projects of national and international proportions that no other units can carry out more satisfactorily and at lower costs. In addition, it can also carry out other kinds of social work—as the peace corps of some countries do—in remote areas inhabited by poor and backward people, with expenditures covered by the state and society.

[TUOI TRE] *We thank you all, Comrades.*

Work of Assault Youth in Past Year Assessed

922E0135A Ho Chi Minh City TUOI TRE CHU NHAT in Vietnamese 29 Mar 92 p 6

[Article by Thuy Cuc: "On Anniversary of Municipal Assault Youth Force, 28 March—Do Assault Youths Remain Assault Youths?"]

[Text] On 28 March 1991, the solemnly celebrated 15th anniversary of the municipality's Assault Youth Force (AYF), the force encountered a tough question: "Is it going to do economic work or gather and educate the youths?" TUOI TRE then opened a forum on *how to make AYF live up to its name* and received nearly 20 opinions from people, both inside and outside the force,

who were greatly concerned about AYF. Generally speaking, everybody now recognizes the current state of assault youths, i.e., their organization, which once was a very fine one of the municipality's youths, is gradually departing from its initial nature because of its switch to business and production activities and the profound effects of the market economy.

On 28 March this year, let us repeat the question about how assault youths are doing.

Economic Success, Neglected Social Tasks

As an answer, we say the AYF presently shows almost no change, but we may also say it is departing further from its point of origin.

We must say that 1991 was a relatively successful year in terms of economic achievements for the AYF. According to a final report, the value of gross production of goods (based on current prices) was 30.5 billion dong, an increase of 329 percent over 1990, with export and import reaching a total of over 19.9 million dollars. Other business activities, such as construction and assembly bidding, commercial business, and tourist services, all surpassed the plan goals by 30-80 percent. Except for agriculture, in which difficulties had remained and both cultivated area and output had decreased because of a lack of sources of long-term capital investment, the AYF earned a total income of more than 3.6 billion dong and fulfilled its obligation with a budget coming from taxes of over 11.2 billion dong.

However, following a review, the AYF has frankly admitted that *many social tasks tended to decline because the units that were in charge of educating unprogressive youths and fighting social ills still had to fully comply with doing economic accounting without being granted investment priority*. This situation had been existing for several years, ever since the AYF fully switched to economic accounting in 1989, and perhaps would continue indefinitely if everything remained the same. In addition, these *social work-doing* units were agricultural ones, in a kind of agriculture that lacked long-term capital investment, constantly faced with natural calamities and fires, and remained unprotected from fluctuating product prices. Was it perhaps because the AYF was able to predict such a situation that it did not mention the social task of gathering and educating youths while outlining the direction for its 1992 plan? According to Le Quang Trung, the AYF director general, who worked with the TUOI TRE reporter, this was what happened: In 1991, the force greatly hoped for a good response to its appeal for foreign investment in the agricultural bloc, for this was the only way to avoid the same lack of sources of capital that the municipality had to face. Only with long-term capital could we invest in building the infrastructure, expanding production, opening additional land, attracting more labor, and resolving the unemployment problem among youths in the municipality in

particular, and in localities where assault youths operated in general. However, this hope was extinguished because the capitalist units that came to do business in Vietnam did not invest in agricultural production due to the above-mentioned uncertainty and poor results. As to Cavixo Corporation, the joint Vietnam-(former) Soviet Union coffee enterprise that was the assault youths' hope for agricultural production in the Central Highlands, it has been operating at a minimal level while trying to retain what has been invested and seeing no hope for development in the near future.

That was the reason why the following irrational situation continued to exist: While vast fertile land existed and projects that would need the youths' energy were available, a rather large number of young people of good health unafraid of traveling to far places and working remained unemployed and were in a stalemate. Although the AYF had long ceased to make any recruitment announcement, last year it still received hundreds of applications for jobs not only from units in the municipality but also from areas far away, not only from general school graduates but also from engineers and holders of middle-level diplomas.

Where Is the Solution?

According to some responsible AYF officials, the whole problem was *capital*. Le Quang Trung said that the force had repeatedly asked for permission from the Municipal People's Committee to get long-term capital with special-privilege interest rate and to be granted tax reduction so as to attract more labor and to contribute to reducing the unemployment problem in the municipality. Do Phi Hung, deputy secretary of the AYF CPV Committee, affirmed this fact: "The AYF is not short of land and people, including people of great enthusiasm and good scientific and technical background. (So many AYF cadres who joined the force in 1976 and 1977 have so far accepted to live in the jungle; so many agricultural, water conservancy, and other engineers still enthusiastically contribute to the welfare of the Central Highlands.) But the force is short of capital for investment and development." CPV Committee Secretary Huynh Xuan Luy had this to say: "The AYF does not refuse to fulfill its social task, but it only asks that the state show its concern and make proper investment so as to allow the AYF to properly carry out this task." It seemed that the projects which the AYF had many times discussed with some units to carry out in a coordination of their work, such as those that would clear the slums and dredge canals and ditches in the municipality, have been shelved because of lack of fund. But is it *capital* the only reason behind the whole problem?

The highest-ranking cadres of the AYF expressed the opinion that they were not afraid of work but they worried instead that it might not be assigned any projects to carry out. AYF Deputy Director Nguyen Anh Tuan said that the force has very actively participated in the Tri An hydroelectric power project and strongly wishes to continue taking part in large-scale projects such as

Thac Mo and Ham Thuan hydroelectric power plants. So what is the obstacle that prevents the AYF from reviving its assault spirit, along with its organizing experience, gathering its brain power and ability to draft plans, and ensuring economic effectiveness to carry out major social projects? We wonder whether the answer can be found in the fact that the municipality lacks a positive plan for organizing and using this very important and necessary force.

Daily Comments on Youth Union

922E0130A Ho Chi Minh City TUOI TRE
in Vietnamese 26 Mar 92 pp 1, 2

[Editorial: "The Youth Need a Youth Union Organization That Knows How To Take the Initiative in Renovation"]

[Text] On 26 March this year, the Ho Chi Minh Communist Youth Union [HCMCYU] marks its 61st founding anniversary and holds union congresses at all levels against a totally new socio-political backdrop: the changing world situation and the grave crisis in the socialist countries system next to a stable, open, independent, and self-confident Vietnam.

Over the past five years, the HCMCYU in Ho Chi Minh City has won the recognition of young people and society for its practical activities marked by achievements in its struggle against the tendency toward decadent and commercialistic culture and its development of the traditional national culture; in its transformation of social work into a major movement; in its linking of the union to the youth's vital interests; in its provision of sponsorship for young talents and assistance for the unfortunates; in its arousal of humaneness, the will to overcome difficulty, and self-reliance among young people; in its launching a self-improvement movement to enable the youth to raise their own level of culture and knowledge, to learn new trades, and to apply science and technology in production and life; in its expansion and diversification of organizational forms to rally youngsters in accordance with their professions and preferences; and in its taking the initiative in creating means of operation and financial resources for the HCMCYU and exploiting various social resources for HCMCYU work.

On the other hand, in the face of the new challenges posed by the market mechanism and the international situation, the youth union in Ho Chi Minh City has shown serious weaknesses and deficiencies. Its membership has decreased both quantitatively and qualitatively; the majority of its chapters have been paralyzed in their activities; the political knowledge and fighting will of its members have declined; its discipline has become loose; and its ability to attract and rally young people in the nongovernmental economic sector and intellectual circles and among students is negligible.

The HCMCYU and the youth movement in our country have existed and operated under the leadership of the Communist Party of Vietnam for more than one half

century. Through all stages of the revolution, especially during the most trying and difficult times, the HCMCYU has organized and mobilized youths to contribute their ardor, talents, and blood to the cause of national defense and construction. The youth need a political organization of their own and the HCMCYU is a political organization of young people. Therefore, what is at issue is not the question of abolishing the HCMCYU but how to renovate it and effect a qualitative change to strengthen its role in the lives of young people and to put into effect a state policy on youth.

To carry out political agitation among the youth, the HCMCYU must have a firm grasp of youth-related social issues including young people's needs and aspirations, and must speed up the process of its participation in the formulation and implementation of state social policies regarding young people, because social conditions are an important factor in developing youths' personality. The youth union must struggle against negativism in society, actively contribute to implementing practical welfare and democratic policies, and prepare youths for their initiation into life with self-reliance and self-confidence through various cultural and social movements. The union must also take appropriate measures and steps to get rid of the administrative and bureaucratic character of and the state subsidies in its current organizational system, gradually and boldly abolish the forms of youth union organizations set up in accordance with administrative boundaries, establish youth organizations according to professions and trades, do away with unnecessary departments and divisions, and develop research and training centers in line with various programs and objectives such as centers for social relief, for promotion of agriculture, for travel-and-study activities, for scientific and technical creation....

To survive, renovate, and develop in the new conditions, we must know how to take the initiative in renovating ourselves instead of carrying out renovation in a passive manner according to young people's demands. To do so, we must boldly rethink the basic issues concerning building the HCMCYU and shape a state agency exclusively in charge of youth-related work.

Article Comments on National Assembly Laws

*922E0139A Ho Chi Minh City SAIGON GIAI PHONG
in Vietnamese 1 Apr 92 p 2*

[Article by Khanh Le: "On the Occasion of the 11th Session of the Eighth National Assembly: Build the Legal Basis for Reforming the State Apparatus and Improving the National Assembly's Organization and Activities"]

[Text] According to the agenda for its 11th session, the Eighth National Assembly will hear, discuss, and pass two bills: the (revised) Law on Organization of the National Assembly and the (revised) Law on Election of National Assembly Deputies.

The 1992 Constitution, which the National Assembly is going to pass, was drafted in the light of the party's renovation line. It sets forth necessary revisions and amendments for a clear determination of the duties and authority of the National Assembly and its various organs. In view of these changes, the current Law on Organization of the National Assembly and Council of State and Law on Election of National Assembly Deputies must also undergo necessary modification.

The fundamental orientation for revising the Law on Organization of the National Assembly is that we must steadily rely on our party's renovation viewpoint on restructuring the state apparatus one step further, improving the National Assembly's organization and activities, and bringing into full play the role of the National Assembly as the people's highest representative body and the SRV's highest organ of state authority. This law must translate the stipulations of the (revised) Constitution on the position, role, functions, role, and operations of the National Assembly into a system of concrete regulations to serve as the basis for ensuring the National Assembly's organization and activities, really developing its role in the conditions of renovation, and gradually turning its work into a regular activity.

At its 10th session, looking back at the operations of the eighth legislature, the National Assembly succeeded in drawing valuable experience from them. It realized that strengthening and renovating the party leadership over the National Assembly was the most important factor in ensuring that the legislative really operates in accordance with the functions and duties defined by the Constitution and the Law on Organization of the National Assembly. It also realized that the National Assembly's organization and work methods must be ceaselessly renovated; that democracy in the National Assembly's activities must be incessantly broadened; that National Assembly deputies' responsibility must be upheld and their activities stepped up; and that the conditions for and means of operations of the National Assembly and its various organs must be guaranteed. The experience drawn by the National Assembly from its diversified activities over the past five years is also an important basis for the revision of the Law on Organization of the National Assembly.

Compared to the current laws, the two bills contain many revisions and amendments. Regarding the Law on Organization of the National Assembly, even its name has been changed to "the Law on Organization of the National Assembly," with the phrase "and the Council of State" in the current law struck out because the Council of State is a standing organ of the National Assembly and included in its structure. According to the draft law, the number of sessions will be increased from two to three annually on the grounds that session is the principal form of the National Assembly's activity, therefore, to expand the legislative's operations, first of all we must increase the number of its yearly sessions. A Standing Committee of the National Assembly will be set up as its permanent body, and a state president will

be instituted as the head of state. The National Defense Council will be changed into the National Defense and Security Council and its functions expanded. An Economics Committee and Budget Committee will be set up. In regard to the various National Assembly committees, the draft law determines in a relatively specific manner that each National Assembly organ will be responsible for supervising one domain of activity, thereby ensuring practical and efficient legislative supervision and overcoming the serious deficiency in supervisory work of the previous legislatures. Concerning the work system of National Assembly deputies, the draft law determines that a number of deputies (estimated to be around 100) will be put exclusively in charge of specific duties and some others will hold more than one position concurrently. Those deputies who are entrusted with exclusive duties will do National Assembly work and be paid as National Assembly deputies. While the current law determines the National Assembly's working apparatus in a single article, the new draft law devotes a whole separate chapter to this matter, which is dealt with together with the National Assembly's budget.

The Draft Law on Election of National Assembly Deputies also contains many new points concerning the right of citizens to vote and run in elections. It also clearly defines the standards of deputies. In the current law, the total number of deputies is determined as being not in excess of 500 (496 deputies were elected to the Eighth National Assembly); in the new draft law, it is stipulated that "there shall not be more than 400 deputies." At present, the population is not evenly distributed in various localities. For this reason, to permit each province to have a necessary number of deputies, the draft law stipulates that "each province and municipality directly subordinate to the central government may elect at least three deputies." This is aimed at ensuring that each province will get the number of deputies it needs. The draft law provides for the setting up of an Election Committee to be in charge of elections in provinces and municipalities directly subordinate to the central government. It also determines more clearly the processes of consultation, nomination, and voters list establishment, as well as the procedures and conditions for citizens to put forth their own candidacy. In particular, to further develop democracy in elections, the draft law adds a new chapter on election campaigning in which campaigning time, the right of organizations and individuals to campaign, and candidates' meetings with voters are determined. The current law provides for one form of dismissal of National Assembly deputies, namely by voters' action; the new draft law determines an additional form of dismissal, that is by the National Assembly's decision.

In the process of law drafting and gathering suggestions at various levels, it was natural that not every new idea was unanimously approved of and that not a few issues required discussion. What is worth noting in the two draft laws is that they reflect a very great effort to closely follow the country's renovation process. The Eighth National Assembly's activities in reality have shown

that, under our party leadership, the National Assembly's role has been increasingly upheld. In his address at the Ninth Session of the National Assembly, Comrade Do Muoi clearly affirmed: "All matters that fall under the authority of the state to decide must be brought before the National Assembly for democratic discussion. The National Assembly must not be faced with a fait accompli. National Assembly resolutions are supreme orders of a legal nature which no organizations or individuals may change or refuse to execute. The National Assembly's powers must be respected and fully exerted." Renovating the National Assembly's organization and work methods, unceasingly broadening democracy in its operations, and stepping up the activities of National Assembly deputies—these are the pressing demands in the period of renovation aimed at enabling the National Assembly to operate more efficiently, to reflect the people's will and legitimate aspirations, and to have its resolutions scrupulously implemented. For this reason, through the discussion and adoption of the Draft Laws on Organization of the National Assembly and on Election of National Assembly Deputies, many demands for the renovation of the National Assembly will be determined in various provisions of these documents, which will serve as the legal basis the activities of our state in successfully administering and managing the national renovation undertaking.

Comments on Ideology and Youth

*922E0130B Ho Chi Minh City TUOI TRE
in Vietnamese 26 Mar 92 pp 1, 8, 9*

[“Summary” by T.H.N. of statement by Professor Tran Van Giau under the rubric “Today’s Youth and the Youth Union Forum” entitled: “Why Can’t There Be Ideals in Today’s Society?”]

[Text] The term communism has apparently become less attractive during the past few years, especially since the collapse of the East European countries and the Soviet Union. There has been another contributing factor: A number of communists themselves have not understood communism correctly as defined by Marxism and have lost sight of many of its essential points. However, the fundamental question is whether you admit that capitalist society is bad and whether there is a substitute for it. No matter what one might say, capitalist society has many terribly bad features: war, national oppression, exploitation of laborers, appalling injustices.... If we are not content with capitalist society, we must find a better model of society. Whether you want to call it communist or not, the new society that must replace capitalist society—the one with better characteristics that originates from the capitalist society and negates it—is still a system totally different from the capitalist system. I call it the communist system. We toppled colonialism and imperialism not in order to build a society like theirs. We overthrew foreign oppression not in order to establish a domestic version of it, but to build an independent, free,

and happy society of our own, as Uncle Ho said. Freedom means democracy, and happiness is the goal and essence of socialism.

Some have asked me: If there still is no socialism in Japan, France... despite the fact that production and the standard of living in these countries are already high, when will there be socialism in Vietnam? This is a wrong way of thinking. It is not true that socialism is possible only when the standard of living is high. We should realize that Uncle Ho's socialism is not a cold, mechanical kind of socialism but one built on the basis of a developed economy, consideration, righteousness, and morality. Of all the world communist movement's leaders from past to present, Uncle Ho was the only one who stressed morality, consideration and righteousness. Anyone who emphasizes economy but forgets to give prominence to morality and consideration and righteousness is just being mechanical and nurturing illusions. Abundant production, equitable and rational distribution of income, and treating each other with consideration and righteousness—that is the kind of socialism Uncle Ho longed for.

At present, cadres who are lacking in self-improvement efforts, receive few reminders of their obligations, and are seldom punished can hardly avoid falling into corruption. In the Soviet Union, when Lenin advocated switching from wartime communist policy to the NEP (new economic policy) stage, 50 percent of CPSU members had to be purged to preserve the purity of the revolutionary vanguard. Today, in the process of national economic development, a number of revolutionaries have turned bourgeois and some have become wealthy thanks to their power. During 1930-1931 or 1940-1941, those who capitulated out of fear of enemy terrorism left their ranks. Nowadays, the degenerate elements stay put, hiding their colors, enticing and bribing more people, and causing internal erosion and decay that, when developed to a certain extent, will hinder the implementation of the party's line.

Against this background, the youth cannot avoid being affected. Money has a very strong and omnipresent destructive power and does not corrupt only young people. And urban families are not the only ones who are aping one another in following a pragmatist way of life, but rural families are also being drawn into doing likewise. If you are a veteran cadre and there is nothing you can do about these bad things, you should do nothing that would further worsen the situation. This means that you should keep yourself pure and clean, setting an example for others to emulate, and should teach your children to do the right things. This in itself would be already an active way to promote goodness. If you assume the title of a cadre but do wrong, take to drinking and womanizing, and set a bad example, then not only will you be rightly criticized, but you may also cause something even more dangerous: The youth will emulate your misconduct.

As for the youth, the question is, what can they rely on to protect their integrity in the current social conditions? The most far-reaching and overriding factor is still a fine social ideal and human morality. Mankind has always needed ideals. There were times—times of disturbances—when ideals were thought to have lost their value. But even in such times, ideals did not really lose their value. In the Orient, up to 3,000 years ago, a society of universal concord had already been mentioned in the writings of Confucius and Mencius. Though universal concord did not yet mean communism, this ancient ideal called for providing land for the tiller, a decent living for the elderly, and schooling for children, and for society to put wise men and talented people in important positions. But now, why is it that old people still suffer hardship and receive no support after working all their lives? As for children, since they are not yet eligible for work, they must have the right to go to school. And why is it that vast areas of cropland have fallen into the hands of landlords. In the ideal society of ancient times, only wise and talented people were entitled to rule. Thus, ideals also existed in days of old. To live without an ideal is like to wander aimlessly in life. At present, the youth's ideals are independence, freedom, and happiness. They must seek their happiness in the people's happiness, their rights in the people's rights, and their freedom in the nation's freedom. This is a spiritual moving force, and it is this force, not the material one, that makes a man what he should be and life worth living. In my opinion, as far as the youth are concerned, we may not have to talk about hard-to-achieve communist ideals yet but only need to mention the three goals set by Uncle Ho, namely independence, freedom, and happiness. As Uncle Ho saw it, happiness is socialism, a society in which there is the least injustice, the least exploitation, and the least oppression. It goes without saying that classes, wealthiness, and poverty exist in any society. But under socialism, wealthiness is not a monopoly of anyone and poverty does not mean anything as bad as destitution. To put it more clearly, young people need ideals about social justice and equality among men and nations. Even a seriously deteriorating society should not be an obstacle to the youth movement for life with an ideal. When the colonial regime was still in existence, we were still able to inculcate the people with the ideals of independence and freedom and successfully carried out the people's democratic revolution for national liberation. Living in the decay and rottenness at the time, we still managed to prevent or limit their effects on us. Then why can't we now motivate the youth to espouse a pure ideal although society is still in disorder?

For young people, in addition to the question of ideal, there is also the issue of personality. If one has a good personality, it is not difficult for one to have an ideal. Every man has a personality; the question is, what kind of personality? Is it marked by humanity or bestiality? The youth should help one another in developing their humanity—which may not be highly developed yet, but has developed nonetheless—and in suppressing bestiality. It may be difficult for young people to get rid of all

bestiality, but they must strive to reduce it as best they can. As a matter of fact, the humanity mentioned here is nothing new; people in ancient times already talked about humaneness, righteousness, rite, intellect, and trust; impartiality and selflessness; incorruptibility in richness, undauntedness in poverty, and fearlessness in the face of violence....

I would like to add another idea: Young people also need knowledge, not only the knowledge of culture and modern science and technology of the world, but also the knowledge of national history, national cultural history, the history of revolution, and the history of the Vietnamese people, who have been held up in all times as a shining example. The HCMCYU in Ho Chi Minh has done a very good thing in launching the Return-To-Our-Roots Movement, but it should further develop the movement in depth to infuse the youth with national pride to reduce the risk of their stumbling on the road of life....

MILITARY

Military Instruction, Changes in Last Decade Cited

922E0128A Hanoi QUAN DOI NHAN DAN
in Vietnamese 6 Mar 92 p 2

[Article by Dao Van Su: "Are Schools Going To Carry out Changes in Their National Defense Instruction?"]

[Text] It seems rather premature for us to raise this matter because the Ministry of Education and Training has decided to carry out changes in national defense instruction (NDI) curriculum beginning only in the 1991-1992 school year. Some schools have started or have partially made changes; others are making preparations for starting them in the next school year. As a result, the 1991-1992 school year remains a preliminary step for the switch and changes. However, by getting to know the realities in some general schools, middle schools, and colleges where NDI curricula are being offered, we hope to be able to find an answer.

Current State of the Subject of Study

In the last 10 years, NDI that was given to school and college students underwent gradual changes, brought about some results, and actively contributed to strengthening our national defense in accordance with the positions of our party and state. However, many restrictions plagued our efforts to carry out NDI, which was far from uniform and unified throughout the country, while NDI curricula were not suitable; the division of work and leadership having to do with NDI was not yet clearly set; the conditions under which NDI was guaranteed were poor; and party committee echelons, sectors, and a number of schools did not show a total NDI perception yet. Faced with that situation, the CPV Central Committee Secretariat, Council of Ministers, and the Ministries of Defense and Education and Training have

decided to assume leadership and to create favorable conditions for this task to become an established activity, to have depth, and to bring about realistic results.

Following the two conferences to review NDI jointly convened in Hanoi and Ho Chi Minh City by the Ministries of Defense and Education and Training, many localities have succeeded in properly organizing and carrying out NDI. The Military Region 9 Command has turned NDI into a task in the localities' 1992 military work. Military Region 2 has issued directives on strengthening the responsibilities of military units and organs for NDI. Thai Binh Province has held joint meetings between its military command and its Education and Training Service to discuss implementing the documents and directives issued by superior echelons in regard to NDI, and at the same time has issued three documents containing guidelines for this task. Tuyen Quang and Tien Giang Provinces have met to discuss the general question of providing military instructors with advanced training for the benefit of their schools. Teachers College 2 has completed drafting a new curriculum for the next school year. Generally speaking, all localities and all general and middle schools, colleges, and advanced and vocational schools are now in a "movement" stage and making preparations for the new school year of 1992-1993. The Hanoi area is in the most favorable position to accept the new curriculum. The real situation in a number of schools is creating many problems having to do with NDI subjects. Thang Long General-Middle School, the favorite school of Hai Ba Trung Ward, shows quality in both teaching and learning and for the last 10 years has been including NDI in its major years, with instruction being spread throughout the entire school years. The teachers in charge of this subject are two military officers being specifically assigned to work here. They teach 14 periods per week, the same number of periods taught by the school's other teachers in various subjects. How was the new curriculum being offered here? Senior Captain Tran Ngoc Toan, one of the military teachers, had this to tell us:

"Currently our school has three complete NDI curricula for three groups of grades 10, 11, and 12. The experimental training we used to offer students in our school is basically similar to the new curriculum. In some courses of study, we have made the time for practice exceed the time for learning theory. Therefore, right in this school year, we revised the curriculum to make it more suitable. For instance, in the case of the lessons on firing technique, ranks, and five first-aid techniques, the time for practice was increased from two to four periods."

The grade 12 group here reviewed its NDI and found that 100 percent of students satisfied all requirements, with 70 percent being given good and outstanding marks. With instruction being spread throughout the school year, teachers were in a position to assess the quality of individual students. In Hai Ba Trung and Doan Ket General-Middle Schools, NDI had been spread throughout a school year, but then due to a

shortage of teachers it was offered in one week toward the end of the first term. This way the schools were not able to adopt the new NDI curriculum. One week prior to the Tet [lunar New Year], they invited 15 Army cadres (from the Capital Military Region) to come to teach. The schools had 14 classes, but when they taught, two classes were put together to hear the same lecture. Classes stayed separate during the periods of recapitulation and drill. Among some 30 schools in Hanoi that adopted that sort of concentrated NDI schedule, the same general patterns were followed. This formula had its limits which everybody was able to notice:

- Students tended to be distracted by both the end-of-the-term holidays and preparations for Tet.
- Teachers were not yet in full control of students and thus had to concentrate upon teaching while being incapable of managing and organizing order in students' learning.
- The method of grading and evaluating results was far from positive. Military teachers marked students' military learning (using coefficient 2); teachers-directors marked their learning concept, protocolar observation, and behavior. The two marks combined became students' official NDI score.

All schools wanted to include NDI in their major years but they did not have teachers to teach it. Colleges had similar difficulties. If we were to carry out the new curriculum, most teachers who taught military courses would be considered unfit for teaching. To ensure quality in NDI, as an immediate step all schools must seek the assistance of theory teachers from various institutes. In addition, they faced another difficulty, namely, the lack of a curriculum. Both teaching and learning having to do with NDI remained in the situation of "Teachers teach in accordance with handwritten notes; students lack reference materials."

The College of Construction started the new NDI curriculum for students of Class 36. They learned the subject in the four weeks before Tet; the remaining two weeks would be spread in the 4th year. Hanoi University would start to let students learn NDI in June 1992.

Things To Be Corrected

About organization of macrocosmic leadership, NDI has been enjoying a lot of great advantage. On 28 October 1991, the Ministry of Education and Training issued nine new NDI curricular systems to be adopted by schools ranging from general-middle, vocational middle, advanced, and vocational schools to colleges. On 28 November 1991, the Ministry of National Defense issued a directive to set NDI responsibilities of Army organs and units. On 30 December 1991, the Council of Ministers chairman issued a directive on this task. The textbook publishing house revised three sets of NDI textbooks at the general and middle school level. Through contacts with schools and localities, we realized that the most difficult thing to resolve now in terms of

renovating the NDI program had to do with teachers. We thought that because the program was a regular and unified one, the teachers who taught in it would be part of regular, stable faculties, instead of being irregular as they are now. The Ministries of National Defense and Education and Training must discuss the issue of creating sources of supply of teachers in colleges, teachers colleges, or Army officers training schools. Would it be advisable to recruit teachers among graduates of Army officers training schools, who would be sent to teachers colleges to study in order to get additional pedagogical and psychological-education training? Or to select reserve officers from teachers colleges and to send them to military schools to get additional military knowledge? Both hypotheses could be workable. However, in order to have sources of NDI teachers for this school year, 1992-1993, schools need to have transitional approaches. On the basis of Directive 484/QP, education and training services must closely coordinate their work with provincial military commands to organize training in the new program for military teachers right away this summer.

The local military schools of the provinces have the right conditions to carry out this work. However, in order to have a body of military teachers large enough for all schools provincial military commands and education and training services must discuss the issue carefully and receive assistance from their superiors. As for colleges, the question now is to raise the professional level of military teachers, to perfect early the ranks of teachers having suitable capabilities, and to improve the school curricular system. Only then will there be hope that schools throughout the country succeed in carrying out in a synchronized and uniform manner the new NDI in the 1992-1993 school year.

Region 4 Commander Interviewed on Changes

922E0111B Hanoi QUAN DOI NHAN DAN
in Vietnamese 22 Feb 92 p 2

[Interview with Lieutenant General Nguyen Quoc Thuoc, commander of the 4th Military Region, by QUAN DOI NHAN DAN Correspondent Hong Son; place and date not given]

[Text] [Hong] Comrade Commander, in 1991, one of the principal tasks of the 4th Military Region was to build safe grass roots units, villages, and subwards capable of exerting mastery and developing combat readiness. I would like to suggest that you tell the readers of QUAN DOI NHAN DAN THU BAY the initial results of that building effort.

[Nguyen] This time around, the 4th Military Region's policy of building safe villages, subwards, and grass roots units capable of exerting mastery and developing combat readiness has a consistent and fundamental character and is more demanding than the policy of building

combat villages and communes in the past. To successfully implement this policy, it has been absolutely necessary to mobilize the aggregate strength of all forces. After joint conferences were held between the military region and the leadership, the mass organizations, and the mass media in the six provinces in the region, agreement was reached on the essence and importance of local military work. The party committees and administrations at all echelons have adopted resolutions turning this policy into a major task for now until the end of 1995. Thus, as far as the leadership from the provincial to the grass roots level is concerned, this task has been adequately attended to and is being carried out step by step.

Last year, although they faced many difficulties, the leadership and administrations of the six provinces and their districts, towns, and cities managed to formulate their own master plans on the basis of the essence of the military region's policy of building safe grass roots units capable of exerting mastery and developing combat readiness, which had been amended to suit their local situations. A total of 4894 leading cadres of various grass roots units and some departments and branches were trained. Many groups of military cadres of the military region and various provinces and districts were sent to 125 villages and subwards to directly conduct surveys and give guidance. Satisfactory initial development was reported in the 25 establishments chosen as pilot units in this building effort. Several exercises on the theme "strong and safe villages, subwards, and grass roots units exerting mastery and developing combat readiness" were organized. Thanks to those activities, the leadership, administrations, and military organs in the localities concerned have further enhanced their perception of and sense of responsibility for the task of building the all-people national defense system. Their style of leadership over the grass roots has improved and become more direct, concrete, and practical.

Many localities have been organized into "points of light" of the building of the all-people national defense system, such as Thanh Hoa city; the districts of Thanh Chuong (Nghe An Province), Quang Trach (Quang Binh Province), Do Linh (Quang Tri Province), and Phong Dien (Thua Thien-Hue Province); the villages of Dong Van (Dong Son District, Thanh Hoa Province), Hung Tan (Hung Nguyen District, Nghe An Province), Thach Kim (Thach Ha District, Ha Tinh Province), and Dong Phu (Dong Hoi city); Subward 1 in Dong Ha city; Long Tho Enterprise in Hue City....

[Hong] So, we have succeeded in building many "points," the question now is to multiply them to create "areas"

[Nguyen] Reorienting the development of the grass roots must be done both at "points" and in "areas," and we have belittled neither. However, in 1992, to focus our leadership on the right targets, we should make much more investment for vitally important areas in three regions: the border, the towns and cities, and the coast. In regard to a number of provinces in the southern part

of the military region, since the situation there is somewhat more complicated, the process of grassroots building should be closely linked to the task of developing in-place combat readiness.

The important thing is that the "points" must be built as strong and enduring units that all grass-roots establishments can emulate. Learning from the initial experiences and results, to multiply the "points" to create "areas," we will coordinate closely with the leadership, the administration, the mass organizations, and the mass media to motivate, educate, and organize the local population to fulfill their responsibility and obligation to the country and their native places by defending and building the socialist fatherland.

[Hong] *Building the marine militia and self-defense forces is the most difficult problem at this juncture. Under the new economic mechanism, privately-owned ships and boats have become an important production force on the sea. So, how should the self-defense forces of these private vessels be organized? Should they be armed?*

[Nguyen] If cropland is the most valuable asset of peasants, then the sea—comprising the coast, the inshore area, and the high seas—is the most treasured property of fishermen. In reality, over the past few years, many unsettling incidents have occurred on the sea, such as the wanton use of explosives in fishing, the illegal intrusions by foreign vessels, the use of force by some bad elements to rob fishermen of their property.... The sea area is currently a national defense "hot point" in the 4th Military Region.

Following the implementation of the new economic management mechanism, the individual economic sector has accounted for up to 80-90% of the marine production forces in the 4th Military Region. The ships and boats of this sector are mostly small vessels of limited capacity, their production activities are not yet stable, and we have had a great deal of difficulty managing them. For this reason, the military region's instructions on organizing self-defense forces in this economic sector are: Proceed cautiously and steadily and consider political quality as the fundamental criterion. Private owners of fishing facilities must be highly reliable and must voluntarily participate in military training and help pay for its expenses. In addition, these owners must register their occupational activities and households in their localities and be recognized by the authorities. The self-defense forces of this sector are to be organized chiefly as a team or a squad for each ship or boat and equipped with a limited amount of weapons—mainly infantry weapons—which must be entrusted to really trustworthy persons, carefully inspected, and strictly managed. In carrying out this task, we should inculcate the fishermen with the love of the sea and devotion to their occupation so that they may voluntarily act in coordination with the armed forces to defend the fatherland's sea areas.

[Hong] Thank you, Comrade Commander.

Shortcomings in Draft Process Noted

922E0111B Hanoi QUAN DOI NHAN DAN
in Vietnamese 21 Feb 92 p 2

[“All-People National Defense” article by Dao Van Su:
“Adverse Effects Produced by Recruit-Receiving Units
Should Be Overcome”]

[Text] This year marks the 10th anniversary of the nationwide implementation of the Law on Military Service. Over the past 10 years, changes for the better have been reported in the work by many localities, organs, and units to publicize the law and to educate people in its implementation. However, there remain localities where this implementation has not yet become a regular practice and where youths still shun medical checkups or deliberately desert. Various agencies, mass organizations, and each family are still discharging their responsibilities toward youths of draft age in a superficial fashion, especially in the days preceding the checkups and the delivery of recruits for induction. The causes of youths displaying little enthusiasm for joining up and showing negativism are numerous, including some for which the units receiving recruits are partially responsible. This problem, which has become manifest over the past few years, has been attended to, but not done away with.

Before opening their doors to the draftees, it is necessary for the recruit-receiving units to send cadres to the localities concerned to discuss and work out an agreement with them on the date, place, form, and means of delivering and receiving recruits. However, some of the cadres sent to the grassroots have been tactless and, worse still, have shown negative ulterior motives, and this has had an unhealthy effect on the draftees or has created proper conditions for them to engage in negative practices. In some places, these cadres, desirous of doing an advance “moral test,” told the would-be recruits about the difficulties, deprivations, and dangers they would face in their future units. This action is not wrong if it is aimed at keeping young people informed of the conditions in the localities where they would be serving; and such an approach may even be advisable if it is applied to those young people who have a satisfactory perception of their duties and are prepared to discharge their military obligations. However, to those youngsters who have not been sufficiently indoctrinated and are still vacillating, bringing such a “gloomy” prospect to their notice will only make them even more hesitant and prompt them to avoid military service by all means or to procrastinate in the hope of being inducted into a better unit later on. Last year, cadres sent by a unit to Ngo Quyen Ward (Haiphong Municipality) to receive recruits announced publicly that “only those who volunteer and love the Army will be accepted.” When the time came for the unit to directly contact the eligible youngsters, most of them declared: “I don’t volunteer!” Thus, the cadres’ statement had provided an excuse for those who deliberately shunned their responsibility to defense

the fatherland. Implementing the Law on Military Service is a responsibility and obligation of citizens. For this reason, the party and state advocate combining encouragement, education, and coercion. Law enforcement cannot rely only on voluntary compliance by citizens. We have met a number of cadres from some units who were in Hanoi for contact with the grassroots in connection with troop recruitment. Ranking from first lieutenant to major, some of them had just completed an officer training course only a year before, had limited experience in life and little contact with local authorities, and still lacked a firm knowledge of the Law on Military Service. In the case of such cadres, making mistakes when coming into direct contact with the families of would-be draftees—to talk and learn about their situation—is simply unavoidable.

Last year, in Hoan Kiem Ward (Hanoi), cadres from a unit who visited the family of a would-be recruit on their own initiative to learn more about the youth were shown a substitute instead. The unit, which found the youngster unacceptably small and short, unlike the healthy would-be draftee that its records had led them to expect, proposed that the local military organ reject the man. Only after the military organ launched a probe did it realize that the unit had met the wrong person. Learning from this experience, we think that although direct contact between units and prospective recruits is necessary, cadres of the units concerned should be accompanied by cadres of the local authorities during such door-to-door visits. And it may not be absolutely necessary for them to meet all the would-be recruits. It may be more advisable that, after the localities concerned have turned over recruit records to the relevant units, both the localities and units must first get a firm knowledge of those cases wherein the would-be recruits are in a difficult situation or show a complicated pattern of thinking; only then should they go together to meet these youths to learn of their problems, to encourage them, and to determine a concrete course of action to follow to resolve their cases.

Doing so will help curb the negative phenomena. The transportation of youths to their units also has no small effect on the recruits and their relatives. The practice of using dirty trucks to ferry draftees should be discontinued.

It is hoped that the adverse effects produced by recruit-receiving units will no longer exist in this year’s recruit delivery season. To achieve this goal, all units should do a good job of leading the education of recruit-receiving cadres, seriously implement Defense Ministry regulations, and formulate tight and careful plans. At the same time, the local administrations and military organs must create favorable conditions for recruit-receiving teams to fulfill their duties.

Special Operations Officials on Accomplishments**Plan of Action Discussed**

*922E0133A Hanoi QUAN DOI NHAN DAN
in Vietnamese 19 Mar 92 p 2*

[Article by Major General Le Toan, party committee secretary and deputy commander of the Special Operations Branch]

[Text] On 19 March 1967, at the ceremony to officially establish the Special Operations Branch, President Ho Chi Minh said: "Special operations is special work. This is a special honor, and this requires special effort." President Ho Chi Minh taught the special operations troops 11 special points. These are the construction formulas and struggle targets of the Special Operations Branch.

During the past 25 years, implementing the teachings of President Ho, the special operations troops have become stronger and stronger and become an important combat branch of our people's armed forces. Having been through two wars to liberate and defend the fatherland, the special operations troops have carried on successful combat operations and achieved many great and glorious military exploits. Many outstanding collectives and individuals appeared during battles. This is manifested by the fact that 69 units and 144 individuals have been commended as people's armed forces heroes. On 3 June 1976, the National Assembly commended the Special Operations Branch for its heroic actions with the traditional saying:

"Particularly well-trained, supremely brave, clever and bold, and attacking boldly and scoring great victories."

Today, at a time when the domestic and international situations are undergoing complex changes, the tasks of the military in general and of the Special Operations Branch in particular are becoming more and more difficult. In recent years, understanding and implementing the renovation line of the party, the Special Operations Branch has made progress in organizing and building its forces, training and preparing for combat, and carrying out international tasks. At the same time, it has participated in production to build the economy and implemented the social policies well. On the political front, the entire branch has constantly adhered to, believed in, and been in agreement with the socialist construction lines and viewpoints and resolutely defended the party and the fruits of the revolution. Based on the results of the inspections by higher echelons concerning the training and combat readiness of the branch, in 1991 the branch was evaluated as a high-quality and effective unit that is in accord with prevailing conditions. The material and spiritual lives of the troops have been improved. Maintaining discipline has undergone many clear changes. Many units in the branch have reduced the number of disciplinary violations (in some units, the rate was only 0.4-0.8 percent in 1990-1991).

In order to further improve the integrated quality of the branch, along with fully implementing the leadership guidelines and tasks set by the Fifth Party Congress of the branch, since 1991, the Special Operations Branch has put forth a five-point operations program and the following struggle targets:

First, education must be strengthened. The policies, lines, and positions of the party and state must be understood thoroughly and implemented well. Attention must be focused on building the branch so that it is strong politically. Steps must be taken to ensure that every cadre and soldier is well-versed in political and ideological matters, and a basis must be created for completing the tasks assigned in an outstanding way. Even though the international situation is undergoing complex changes and the plots and stratagems of the enemy are very insidious, the special operations troops are still very loyal to the party and to the party's renovation movement, and they continue to adhere to the path of socialist revolution chosen by President Ho. They have constantly elevated their combat will power and spirit of revolutionary vigilance and are ready to undertake and complete any task assigned them by the party and army.

Second, the quality of the training must be improved and the combat readiness standards must constantly be elevated based on thoroughly understanding the basic viewpoints regarding the party's military line and special operations combat arts. Subjects and programs must be renovated in accord with the combat targets and the new training formulas and methods. Adhering to the self-reliance viewpoint, the Special Operations Branch must continue to promote the study of military science and special operations techniques and improve the use and production of the weapons and combat equipment used by the special operations forces in accord with the combat targets and the country's socioeconomic situation.

Third, from the organizations to the units and schools, discipline must constantly be maintained. The cadres and soldiers must train and obey the orders and stipulations of the military and the laws of the state. At the same time, each individual and unit must carry out mass agitation work well and contribute to maintaining political security and social order at all times and in all places. An effort must be made to reduce the rate of disciplinary violations in the entire branch to below 1 percent.

Fourth, [the branch] must actively engage in productive labor, participate effectively in economic work, improve the lives of the troops, and contribute to implementing the social policies of the branch. Full use must be made of the strengths of each unit and locality, particularly the key economic sectors, in order to generate large centralized sources of revenues. But this must not affect the combat readiness tasks or the training periods, contents, or programs. In 1992, an effort must be made to have a product value of 1.2 billion dong, with an increase of 40 percent a year beginning in 1993. Of this, 55 percent

must be used to improve the lives of the troops, implement the social policies, and purchase weapons and equipment for combat readiness training.

Fifth, efforts must be concentrated on improving combat strength and leadership capabilities and building pure branch party organizations that are strong in all respects. There must not be any weak party organizations or party chapters. Building and organizing the party bases must constantly be tied to building units that are strong in all respects. Building party chapters must be tied to building union chapters, and building ranks of party members must be tied to building ranks of cadres in each unit. The cadres and party members must constantly improve their vanguard nature and set an example with respect to ideological understanding, activities, and a pure and wholesome way of life.

To hit the above targets, the branch is developing and carrying on things simultaneously at all echelons and in all sectors. This includes carrying on combat readiness training, organizing and building forces, maintaining the technical rear, and studying military science and techniques and party and political work. In this, the branch is giving special attention to improving the leadership capabilities and combat strength of the party organizations and various echelon commanders at the primary level units in order to fulfill the requirement of building a crack special operations branch that is strong in all respects and contributing, together with the entire party, the entire military, and all the people, to successfully implementing the resolution of the Seventh CPV National Congress and building and defending our socialist Vietnamese fatherland.

Current Status, Economic Work Viewed

922E0133B Hanoi QUAN DOI NHAN DAN
in Vietnamese 21 Mar 92 p 2

[Interview with Major General Nguyen Tu Cuong, commander of the Special Operations Branch, by Quang Dau; place and date not given]

[Excerpt] [passage omitted] On this glorious anniversary, a QUAN DOI NHAN DAN reporter interviewed Major General Nguyen Tu Cuong, the commander of the Special Operations Branch. The commander, who is also known by the name Nguyen Cu, was born in 1929 in Ninh Da, Ninh Hoa District, Phu Yen Province. He was commended as a hero of the people's armed forces in May 1956. He has been awarded 43 medals, including international decorations. He has been well-known as a courageous and clever special operations soldier ever since the time of the resistance against France. In the resistance against America, he held many positions and commanded special operations troops. He won many battles in eastern and western Nam Bo. In particular, on the night of 25-26 March 1969, he led the victorious attack against the joint base of the American 25th Division at Dong Du. This was one of the first large-scale attacks by special operations troops, and this made it

possible to improve the large-scale attack capabilities of the special operations forces in inter-branch operations.

[Dau] Can you tell us something in general about the quality of the special operations troops?

[Cuong] I think that the best thing is to remember the golden words written on the traditional banner of the special operations forces on 3 June 1976 when the National Assembly commended the entire branch as being people's armed forces heroes: "Particularly well-trained, supremely brave, clever and bold, and attacking boldly and scoring great victories."

[Dau] Is today's training and combat readiness completely different from during the time of the resistance against America?

[Cuong] The essence of past combat experiences must be maintained and developed and improved in accord with the new situation. For example, in the past, special operations soldiers got close to the enemy before attacking. Now, not only have we perfected our close-attack skills but, thanks to the modern means and equipment, we can also attack the enemy very effectively from a distance.

I would also like to say here that it has been 25 years since this branch was established. But the first special operations unit of our armed forces, which was a company known as the Nguyen Nghi Company, was established in September 1950 in the Tan Uyen District Unit, Thu Bien Province (combat Zone D). Looking even farther back in time, in order to defeat the foreign aggressors, our ancestors employed special operations methods very early. In the 6th century, Trieu Quang Phuc hid by day. But at night, he attacked the camp of the Luong bandits. The "Trao Nhi" unit (volunteers for death) of General Yet Kieu of the Tran dynasty was active in the 13th Century. Everyone knows about that unit.

[Dau] With today's combat formulas, in the future, will the Special Operations Branch be able to satisfy the requirements?

[Cuong] As I just said, with high combat capabilities, based on intelligence and ingenuity, in each stage and period, our special operations troops must adapt quickly. No matter how modern the combat means and equipment, they will not replace people. The problem is getting the soldiers to make the most effective use possible of the equipment.

[Dau] I would like to switch to another very interesting topic, that is, the matter of special operations troops engaging in economic activities and building the country. On this occasion, would you tell us what effect their engaging in economic activities will have on their training and combat readiness?

[Cuong] In the past period, we have made a great effort to gradually solidify and perfect the economic bases of the branch by concentrating on the key economic sectors

in order to achieve good results. We have continued to promote the on-the-spot productive labor of the units, contributed to maintaining the standard of living and implementing the policies, and purchased weapons and equipment to support training and combat readiness.

The primary-level units are participating in economic activities by raising shrimp, doing afforestation work, producing building materials, and so on. Many units, such as M98, M13, and M26, have done a good job. Units have engaged in joint ventures and coordinated things with the localities and with both domestic and foreign production installations in order to obtain investment capital and obtain key economic goods. Although the results have been limited, this has opened up good prospects for the future.

In summary, I can affirm that the branch's recent participation in building the economy has been correct, and this has had an effect in maintaining and increasing the combat strength of the special operations forces. For 1992, the party committee and branch have put forth the guideline of using the results of the productive labor, such as using 30 percent to improve the lives of the troops, contributing 10 percent to the budget to improve the camps, using 10 percent to purchase equipment, and so on.

[Dau] Recently, special operations troops have engaged in joint ventures with the localities in order to mine for gemstones. What have the results been like?

[Cuong] The state issued Decision No. 333. The special operations troops are responsible for carrying on mining operations and defending the valuable resource areas of the country. Recently, bids were made on a number of mines in Quy Chau in Nghe An Province. We already have a rather complete gemstone mining installation. In particular, we have accumulated much experience. I think that in the coming period, we will manifest an effect in order to achieve good results. [passage omitted]

Air Defense To Apply Democracy, Discipline Study

922E0128B Hanoi QUAN DOI NHAN DAN
in Vietnamese 17 Mar 92 p 2

[Article by Major General Nguyen Van Phiet: "Applying Results of Study on Democracy-Discipline Measures in Air Defense Service"]

[Text] With the need for building a revolutionary, regular, and increasingly modern Army, many questions that are being raised in regard to our troops' "democracy and discipline" require answers. On that basis, the Political General Department recommended and, along with the political organs of a number of military regions, corps, and services, adopted a scientific study of the issue. After a year of both studying and applying it to the actual construction work in various units, a review of the issue has been completed and the Ministry's Science

Council has evaluated the results of this study of such a highly theoretical and realistically valuable issue.

As to the air defense service, after a year of both studying and applying various solutions to the issue, it has obtained encouraging results:

With the real situation of democracy and discipline being studied in such areas as political and ideological aspects, rear service and everyday life, technical guarantee, readiness for combat to protect airspace, what had been and had not yet been done, objective and subjective reasons, solutions, and so on, the leadership and command at all levels arrived at a fuller understanding of and greater interest in educating troops and managing discipline among troops, which they considered an important task aimed at raising the combined strength of their unit. Following the many resolutions on specialized subjects, such as readiness for combat to protect airspace, training renovation, technical guarantee, and guarantee for correct packing and storing of weapons and equipment, the service CPV committee has issued two additional resolutions on the service's program of action based on regulations and laws to enhance its regular character and to maintain and improve its troops' standard of material and spiritual living, and on continually building and improving leadership procedures in various aspects of the work.

The implementation of these resolutions on specialized subjects really was broad democratic activities in units, organs, and schools, in which command echelons attached great importance to ideological work in the new situation aimed at building the service as a politically strong one and fighting enemy peace-advocating plots and tricks. The political and ideological situation in the service was regularly stable and free from negative signs.

In the management of discipline, command echelons closely combined ideological work with organization; strengthened both leadership of party organizations and education and management of discipline as a means to create a good environment for democracy and discipline; paid more attention to the management of military personnel on holidays and of the material base, storehouses, financial matters, and properties; selected cadres and combatants showing good moral quality and capabilities in managing financial matters, properties, storehouses, and so on; provided education on vigilance and guarding secrets against illegal activities; and took precautions against enemies and bad elements from outside trying to attract and secretly deal with on-duty military personnel in charge of warehouses to steal weapons and equipment and to cut and take away wire used as communications line, which were the crimes that took place relatively frequently in the past years.

Discipline in the service in 1991 showed an obvious improvement over 1990: The total number of cases of disciplinary violations decreased by 54 percent, with no political violations; the percentage of party members having violated discipline dropped 50 percent from 4.78

percent in 1990 to 2.45 percent in 1991. A typical case was that of Group B61, which consisted of basic units stationed in broad areas including Hanoi and many provinces—Vinh Phu, Yen Bai, Ha Tay, Hoa Binh, Thanh Hoa, Nghe An, and so on—and faced many problems while doing its discipline-managing work, particularly in regard to the solidarity relationships between the Army and the people and the management of the material base, weapons, and equipment. In the past, in a number of locations where its troops had been stationed, there had been many cases including some serious ones, but now the group worked with the localities to resolve them in a satisfactory manner and consequently was able to maintain good Army-people solidarity relationships. The percentage of party members having violated discipline decreased from 6.9 percent in 1990 to 1.09 percent in 1991.

The service as a whole assumed close leadership and organized its troops' Tet Nham Than (Year of the Monkey) celebration in a successful manner, with satisfaction obtained in the observation of vigilance, combat readiness, solidarity, joy, safety, and thrift. During the Tet holidays, the rate of guarantee of equipment use was 90 percent, and even 100 percent on some days, with guard procedures being seriously observed in all command posts, from the service to local levels. Units made a lot of effort to maintain their troops' standard of material and spiritual living, which kept cadres and combatants happy and encouraged (including those who remained on duty and those who went home to celebrate Tet with their families). In the entire service, only 14 combatants deserted and 18 cadres returned late from furlough.

The above-mentioned initial results proved the correctness of this observation: The solutions that had been adopted in regard to the issue were important, realistic, necessary, and achievable jobs. The air defense service actually obtained good initial results; the issue had a great realistic significance.

To develop fully the usefulness of the issue, however, we find that in the course of implementing it many points need to receive continued pondering and a search for solutions:

—We may say that political education, ideological leadership, and the management and maintaining of discipline in our Army, generally speaking, are carried out strictly and seriously. But why do troops still violate discipline? We think that in addition to the main reason, namely leadership, command, and management at all levels remaining rather loose, our troops' concept of discipline and law still is very limited. This is also a major problem in connection with society as a whole. The negative things that take place in society do directly affect the observance of discipline in the Army. As a result, there must be a synchronized coordination in society as a whole, among all levels, sectors, and localities (such as educating the young to feel reassured while fulfilling their

military obligation, not to desert, not to go here and there to their liking; strengthening the Army-people solidarity relationships; fully implementing social policies; carrying out the fight against negative things, corruption, and so on).

—In our work to ensure rear service and troops' standard of living, the important issue is to achieve democracy at any cost and in an open and fair manner in management, use, and distribution. The reason behind violations in this form is lack of openness and fairness, abuse of power, and desire to reap personal benefits, which lead to loss of internal solidarity. In addition, the difficulties encountered in our troops' socioeconomic conditions and everyday life, the rear area, families, the mechanism of the market economy, and so on also act to no smaller a degree on disciplinary violations.

About technical guarantee, the important issue is to resolve in a correct manner the relationships between man and weapons and equipment, between politics and science-technology. We must consider political and ideological construction a basic factor and attach importance to the human factor in the development of military science and technology. As a result, we must educate our troops so that they would have a clear concept of keeping things in good shape and lasting conditions, prolonging the life of equipment, developing initiative and creativity in scientific and technical research, improving equipment, and developing to the fullest extent the strength of the human factor and weapons and equipment used in fighting the enemy.

—About readiness for combat to protect airspace, what the air defense troops have to do now is to properly resolve the relationships between management and defense of the fatherland's airspace, for only good management can bring about good defense. In the present situation, although the country has returned to peacetime, there is no change in the task of air defense troops, which is to guard our airspace 24 hours a day, day after day, to strongly defend the fatherland's airspace, to know whenever the enemy enters it, to discover the enemy from a far distance, to avoid being caught by surprise, and not to miss any opportunity to destroy the enemy.

Region 9 Economic, National Defense Unit Viewed

922E011IB Hanoi QUAN DOI NHAN DAN
in Vietnamese 22 Feb 92 p 3

[Interview with Senior Colonel Nguyen Thanh Long, 9th Military Region Rear Service director, by QUAN DOI NHAN DAN Correspondent Quan Thuy; place and date not given: "Multiplying Economic-National Defense Units in the 9th Military Region in Conjunction With Enhancing the Effectiveness of Their Activities;" first paragraph is editor's note]

[Text] After more than four years of simultaneously organizing activities and drawing experience therefrom, the economic-national defense units in Tien Giang Province have clearly shown their effectiveness in both the economic and national defense domains. In 1992, it is the 9th Military Region's policy to multiply and develop this model of organization in all other provinces in the region. We have met and exchanged views on this subject with Comrade Senior Colonel Nguyen Thanh Long, director of the 9th Military Region's Rear Service. We would like to present to our readers the following report on that exchange:

[Nguyen] The policy of setting up economic-national defense units in Tien Giang and some other provinces and districts in the 9th Military Region over the past few years is totally correct and conforms to the current situation, because there is a large number of youths of draft age but not many of them are actually joining up. The establishment of economic-national defense units has helped both create jobs for a fairly large force of young people in society and promote fairness in calling up youths and implementing social policies. Another major gain has been the fact that these economic-national defense units have produced a significant amount of material wealth for society and have opened new land or transformed areas that had been left fallow for a long time. As far as national defense is concerned, they are exactly a force that can both produce and fight without being subsidized by the state and the Army. Inspections by provinces and the military region, mock alert conducted for these units to practice switching from the state of peace to the state of war, their participation in military exercises... have proven that economic-national defense troops are fairly well-trained, can move fast, and have high combat-readiness. In Tien Giang alone, this force comprise more than 2,000 members who are mostly organized into battalions and companies. Each year, a sizable number of youths who have completed their military service in these units are called on to supplement the reserve forces for mobilization.

[Quan] We have learned that, next to their successes, a number of economic-national defense units in Tien Giang have shown weaknesses such as suffering losses in business operations—and worse still, some units have had to be dissolved—loose discipline; cadres failing to set good examples and lacking skill in management and in organizing production; soldiers showing no attachment to their units.... Obviously, these problems should be seriously considered and experience drawn therefrom for application in setting up economic-national defense units in other localities.

[Nguyen] That's right. Monitoring the activities of the economic-national defense units in Tien Giang, we have seen that most of these units can pay for their own training and provide for their own troops. Some of them have practiced economic accounting, have made a profit, and have built fairly extensive facilities for themselves. But what we are concerned about is that, generally speaking, the average monthly income of the members of

these units is still not commensurate with their labor and that, since manual labor is the norm, productivity is low. This is why very few soldiers volunteer to stay on to continue taking part in productive labor after they have completed their military service.

[Quan] In your opinion, how much more attention should be paid to this task, and what instructions should be given to enable new economic-national defense units to operate efficiently, stay stable, and develop?

[Nguyen] Each locality and unit must base itself on its own socioeconomic conditions and strengths to choose suitable occupations and branches and scales of production, and must not stick only to agricultural production. At the beginning, it may not be absolutely necessary to set up battalion- or company-sized units.... But, whatever these units may choose to do, they must ensure the required minimum of capital and technical investment and their commanders must be equipped with the basic knowledge of economics and economic management. Initial success may be small, but it has very great significance in that it helps consolidate the confidence of cadres and combatants. On the contrary, if the organization of a unit is slack and its business is in the red right from the start, that unit can hardly expect to remain viable economically, let alone to ensure the quality of its military training. We must determine the occupation and branch of production to be taken up by a unit before setting it up in order to attract youths into economic-national defense units. Whatever a unit is going to do, it must pay attention to economic efficiency and avoid going at it merely as a stopgap and squandering its resources simply because, as the saying goes, "nothing is as cheap as water from the river and a soldier's labor," and it must also avoid working as hired labor. Our wish is to see a higher standard of living for cadres and combatants of the economic-national defense units. In the future, these units may become state-run economic units such as construction sites, state farms, enterprises... capable of carrying out military training well and doing profitable business.

ECONOMIC

Official on Favorable Conditions for Investors
92SE0232A Hanoi VIETNAM COURIER in English
30 Apr 92 p 8

[Speech by Professor Dr. Nguyen Mai, deputy chairman of the State Committee for Cooperation and Investment: "Vietnam Welcomes and Creates Favorable Conditions for Foreign Investors"]

[Text] Since the approval of the Law on Foreign Investment by the National Assembly of the Socialist Republic of Vietnam on December 23, 1987, four years have passed, representatives of hundreds of foreign companies from different continents have come to Vietnam for

inquiry about investment opportunities, many companies from 34 countries have carried out projects in Vietnam.

The year 1991 was the most difficult year in the development of the Vietnamese economy since the start of the process of self-renewal of the country in 1986. The US embargo against Vietnam has not yet been lifted, even though optimistic predictions have sometimes been put forward about the time of the ending of that unreasonable order, mention is also to be made of the disintegration of the Soviet Union and the rapid changes in Eastern European countries which used to be Vietnam's traditional trading partners and suppliers of aids and preferential credits. These two factors have made more acute the balance of foreign exchange payment and threatened the Vietnamese economy which has just begun to emerge from the old mechanism.

However, the new mechanism, the dynamics of the economy and the new laws firmly following the path of domestic renewal and open-door policy with the outside world are conditions helping overcome difficulties, maintain stability and create an impetus to growth for the following years. As compared with 1990, Vietnam's GNP in 1991 increased by 2.4 per cent, industrial production by 5.3 per cent. A notable growth has also been observed in the export of crude oil, rice, agricultural and industrial products.

In its open-door policy of befriending all countries in the world, Vietnam attaches great importance to direct foreign investment to attract capital investment, receive modern technologies, create jobs and gradually raise the management standard to keep pace with other countries.

By the end of January 1992, 383 projects have been licenced with a total investment capital of 2,763 million US dollars, categorized as follows:

	Number of Projects	Investment Capital (million US dollars)	Volume (%)
Industry	126	382.7	13.9
Oil exploitation	13	588.2	21.3
Agriculture and food industry	112	786.2	28.2
Tourism and Services	92	707.1	25.6
Communications and Post	35	293.3	25.6
Construction	5	5.4	0.2

The increase of investment capital through the years is as follows:

Number of projects	37	69	108	150
Investment capital (million US dollars)	360	512	589	1,185

Statistics also show that the projects have increased not only in number, but also in scope. In 1990, on average, the capital of one industrial project was 1.8 million US dollars, that of one hotel project was 4.48 million US dollars. In 1991, the corresponding figures were 7.5 million and 9.03 million US dollars.

The enterprises with direct foreign invested capital have contributed to rapidly increasing export goods, particularly garments, knitwear goods, leather goods, furniture, mushroom, etc. In the field of oil and gas, the Vietsovpetro joint venture is continuing to exploit oil wells on the White Tiger field with an output of 4 million tonnes in 1991, the annual growth ranges between 25 and 30 per cent. Thirteen projects have been licenced and are exploring for oil and gas in Vietnam. In the industrial field, the construction began in 1991 of a food industrial zone of 80 hectares, of two plants for assembling motor cars with components either imported or produced at home, and of two factories manufacturing TV sets and IKD [expansion unknown] electronic goods.

In the fields of tourism and services, tens of hotels have been built to meet the increasing requirements of foreign investors, businessmen and tourists whose number is expected to reach the 1.6 million mark by the end of this decade.

Direct foreign investment activities have contributed to rapidly changing the post and telecommunications services. Within a short time, modern equipment have been brought into Vietnam, facilitating the contacts of businessmen with other countries from Vietnam.

Vietnam's renewal and open-door policies have not only made life more diversified and abundant, business activities more animated, and goods more abundant on the market but also changed the way of thinking and the style of work of a whole nation.

To create a favourable environment for investment in Vietnam, the Vietnamese Government promulgated nearly 70 by-laws aimed at concretizing the Law on Foreign Investment and providing guidance for its implementation. It has also adopted some important policies:

1. In 1992, new export processing zones will be established. Apart from the Linh Trung Export Processing Zone in the suburbs of Ho Chi Minh City, the Tan Thuan Export Processing Zone on an area of 300 hectares in Ho Chi Minh City has started construction in the early days of the new year. An export processing zone in Hai Phong and another in Da Nang are to begin construction this year.

Special preferences have been reserved by the Government for export processing zones:

- Profit tax for industrial enterprises is 10% and there are four years of tax exemption after the first profit-making year.

- Profit tax for non-industrial enterprises is 15% and there are two years of tax exemption after the first profit-making year.

A management commission has been appointed by the Chairman of the Council of Ministers to settle all State managerial work in relation to the activities of export processing zones.

2. To solve the problems of credits, payment and guaranty in investment activities together with the renovation of the Vietnamese banking system, there has been set up the first joint-venture bank—the Indovina Bank—and six branches of foreign banks from France, Thailand, and Australia and a joint-venture bank with Malaysia. We hope that other banks will make more investigations of investment opportunities in Vietnam so as to make a decision on the opening of their branches in our country.

3. From 1992 onward, to readjust the investment structure among the localities and ensure a uniform development of the country, a policy on tax preferences will be implemented, with services charges lower when the investment is made in localities where projects are still not so many. In particular, the Vietnamese Government will encourage foreigners to make investment in Hanoi in order to build it into a modern capital city.

4. To overcome delays and obstacles in investment procedures, previous stipulations concerning visa granting, travelling and residence permits for foreigners in Vietnam will be amended. The procedures of formulating application documents and project evaluation will also be simplified so as to ensure the "one-door" principle in the State management of investment activities.

The State Committee for Cooperation and Investment, a Government body, entrusted by the National Assembly with the task of taking charge of direct foreign investment in Vietnam will be responsible for creating every condition to make it possible for foreign investors to find suitable investment projects. It will work with them to resolve all difficulties and obstacles in their long-term business in Vietnam.

HCM City Import-Export Increases in First Quarter

*92SE0219C Hanoi VIETNAM NEWS in English
6 Apr 92 p 1*

[Article: "Export-Import Value Increases in Ho Chi Minh City"]

[Excerpt] Two-way foreign trade in Ho Chi Minh City in the first quarter of this year totalled over 163 million dollars in value, up 88 percent over the corresponding period last year.

Exports increased to 81.9 million dollars, 29 percent higher, and imports rose to 81.3 million dollars, 59 percent more.

March was the best month, with export and import value totalling 56 million dollars. [passage omitted]

First Quarter Export Earning Reaches New High

*92SE0219G Hanoi VIETNAM NEWS in English
16 Apr 92 p 1*

[Article: "All-Time High Export Earning"]

[Excerpt] Exporters grossed a total of 420 million dollars in the first three months of this year, a performance unsurpassed in any three-month period in the past.

The success was owed to a fast increase in the production of high-grade exports. Heading the list was crude oil, with a total volume of 1.1 million tonnes, 44 percent more than the January-March period last year.

Output also shot up sharply regarding rubber latex (84 percent), coffee (38 percent), tea (83 percent) groundnut (81 percent), cinnamon (62 percent), anthracite (43 percent), tin (27 percent) and seafood (13 percent).

Biggest buyers were Singapore, Japan, Hong Kong, South Korea, Taiwan, France and Germany.

Farm produce, however did not sell well. With the exception of rice, which marked a fivefold increase, other traditional lines were on the downswing. Processed pork and beef was down 83.6 percent and vegetables, 23.5 percent. The same trend was found in garments and handicraft articles, which dropped 80.6 and 62.5 percent respectively. [passage omitted]

Industrial Sector Gross Increases in Hanoi

*92SE0219B Hanoi VIETNAM NEWS in English
4 Apr 92 p 1*

[Article: "Industrial Output Value Increases in Hanoi"]

[Text] In the first quarter of this year, production enterprises in the Hanoi industrial sector grossed 21,953 million dong (roughly \$2.19 million) in output value, an increase of 28.5 per cent over the January-March period last year.

Export-oriented production in particular saw a rise 2.4 times higher than for the same period last year. The increase was mostly attributed to higher production output in the garment and leather goods industries. Five enterprises—the Thuong Dinh canvas shoe factory, Thuy Khe and Ngoc Ha leather shoe factories, Mua Dong Woollen Jacket Factory and the Hanoi outlets in the Southeast Asian and Middle East regions. In addition, several other enterprises have also begun their production contracts signed under joint ventures entered into with foreign partners.

Though 35 out of the 48 production enterprises under the Hanoi Industrial Service achieved a higher production output the other 13 units failed to meet their production schedule for the January-March period. Thus nearly 3,000 workers accounting for 15.3 per cent of the Hanoi Industrial Service's total workforce experienced unemployment.

Textile Industry Sees Rise in Production, Export
92SE0204A Hanoi VIETNAM NEWS in English
17 Mar 92 p 1

[Text] The textile industry is striving to gross 700 billion dong in 1992, 70.4 billion dong more than last year.

For this it will have to speed up production at spinning and weaving mills to raise output to 45,000 tonnes of yarn and 350 million metres of fabric, a respective increase of 5,000 tonnes and 70 million metres against last year.

Despite the curtailment of many orders from the former Soviet Union and Eastern Europe, the textile industry, one of the country's best foreign currency earners, managed to gross 74 million dollars last year. Now it hopes that further expansion of foreign outlets, mostly in Asia and Western Europe, will enable it to earn a total of 90.5 million dollars this year.

A larger share of the foreign market goes to southern mills, which have made considerable modernisation efforts. In the course of 17 years, 190 million dollars has gone into new equipment, printing techniques and designs that have enabled southern mills to raise their combined output to 180 million metres per year.

New Factory Added to Rubber Joint Venture
92SE0204B Hanoi VIETNAM NEWS in English
20 Mar 92 p 1

[Text] VISORUTEX, the first export rubber joint venture involving the rubber industries in Vietnam and the former Soviet Union, has invested 3 billion dong more in building a processing factory in Lai Khe, Song Be Province, northwest of Ho Chi Minh City.

The new factory will be completed within five months.

VISORUTEX has a prescribed capital of 3,150,000 dollars, of which 30.2 percent was contributed by the Vietnamese partner. Since starting operations in April 1991, the joint venture has processed 1,010 tonnes of latex for export, grossing 2,300,000 dollars.

Record Rubber Output Reported in 1991
92SE0219F Hanoi VIETNAM NEWS in English
15 Apr 92 p 1

[Article: "Record Rubber Output"]

[Text] The Vietnam Rubber Corporation last year turned out 59,344 tonnes of dried latex, an increase of

1.7 percent over the plan. It was the best achievement of the corporation so far. It topped 1990's output with 10,949 tonnes.

Most successful were the plantations at Phuoc Hoa, with an increase of 28.7 percent. Chu Prong (18 percent) and Dau Tieng (16.4 percent).

About 13,770 tonnes was exported for 9.794 million dollars. The volume was 2,518 tonnes bigger than in 1990.

The success was attributed to an expansion of 7,642 ha an area and 212 billion dong invested in infrastructure and technical equipment.

Joint Venture With Korean Firm To Produce Steel

92SE0219D Hanoi VIETNAM NEWS in English
6 Apr 92 p 1

[Article: "S. Korean Company Engages in Galvanised Iron Production"]

[Text] Pohang, a limited liability steel company in South Korea, has entered into a joint venture with the Southern Steel Union (SSU) in Ho Chi Minh City in operating a galvanised iron plant which was commissioned last Wednesday.

The 20-year joint venture, called POS/VINA, has a capital of \$3.9 million equally shared by the two partners.

In the first year the plant, situated in the suburban district of Thu Duc, will turn out 10,000 tonnes of flat and corrugated iron. In the following years, when all the equipment has been installed, it will be able to treble its output.

POS-VINA products will be sold first in the home market. In the long run they will be made available abroad, officials of the joint venture said.

First Foreign Venture in Highlands Province
92SE0219A Hanoi VIETNAM NEWS in English
3 Apr 92 p 1

[Article: "First Foreign Joint Venture in Highlands Province"]

[Excerpt] A saw mill was put into operation in the central highlands Province of Darlac in late March as a joint venture between the Indonesian Korlindo group and the Easup Union of Agriculture, Forestry and Industry Enterprises.

This first foreign joint venture in Darlac has a prescribed capital of 3.5 million dollars equally shared by the two partners and a duration of 20 years.

The joint venture, Koresvina, is licenced to produce sawn wood, plywood, flooring and furniture. It is designed to process 50,000 cubic metres of wood a year. [passage omitted]

Official on Investment in Northern Provinces
*92SE0205A Ho Chi Minh City TAP CHI THUONG
 MAI in English Feb 92 p 32*

[Interview by Nguyen Quy Luyen]

[Text] Why is investment cooperation getting a slow move in Northern provinces of Vietnam? What about its prospect?

Those questions are not personal. We have got in touch with Mr. Nguyen Mai, Vice Commissioner of the State Commission for Investment and Cooperation on an early day of 1992 at the headquarters of the organisation situated at No 56 Quoc Tu Giam—Hanoi.

Every week, more or less than 10 meetings have taken place between foreign businessmen and the leadership or specialists of the commission.

In the position of Vice Commissioner of the State Commission for Investment and Cooperation and Editor-in-Chief of the Foreign Investment in Vietnam newspaper, Mr. Nguyen Mai has answered our questions under documentary form.

Seaprodex T.I.R.: Could you give us an outlook of the situation of foreign investment in Northern provinces since the ratification of the Law on Foreign Investment in Vietnam?

Mr. Nguyen Mai: As from the end of 1987 to late December 1991, the SCIC has issued licenses for 363 projects with total investment capital of 2,692 million USD.

Except 13 contracts for petroleum exploration in Vietnam continental shelf, North VN accounts for 21.5 percent of the total investment fund for the remaining contracts to mention northern area from Thua Thien—Hue. Southern provinces account for nearly 80 percent out of which Ho Chi Minh city does 50 percent of the total investment fund.

In provinces, the investment concentrates in Hanoi with 43 projects and 308 million USD.

In addition, some provinces like Cao Bang, Hai Phong, Ha Tay, Hai Hung, Lang Son, Ha Tinh, Thai Binh, Thanh Hoa, Quang Ninh, Ha Nam Ninh (former name)... have participated in small-scale projects.

T.I.R.: What are socio-economic reasons that have led to the delay of taking foreign investment?

Mr. Nguyen Mai: Foreign taking investment is a new business area in which much experience is needed, moreover, foreign investors are equally tactful when putting funds in an alien area. As a result, the delay

situation in investment of Northern provinces can be regarded as normal. There should be no hurry, there must be necessary preparations.

Even in Hanoi where investment conditions are the best, foreign investors also take cautious steps.

It is necessary for us to establish area policies to ensure balance in obtaining investment in different localities by which the following issues should be taken into account:

- 1) Studying and promulgating taxation favours, discounted land rent for projects to be operated in localities that need encouragement.
- 2) Certain selected projects should be established for each city, each province, indicating clearly the favorable conditions enjoyed by foreign investors when they participate in those projects.
- 3) Getting cadres ready to participate in joint ventures with at least 4 qualified ones for each joint venture to ensure successful implementation of the project.

T.I.R.: What are attractive fields for investment the S.C.I.C. can introduce to foreign companies?

Mr. Nguyen Mai: North Vietnam possesses certain superiorities that have not yet been adequately informed to foreign investors. By the way, I would like to give some suggestions and each locality should have guide books to introduce its superior advantages. Several valuable traditional professions are available in North Vietnam. If they are invested in funds and technology, particular goods can be made for export.

For example, the copper moulding profession in Ngu Xa, the ceramic profession in Bat Trang (Hanoi), the silk weaving in Van Phuc (Ha Dong), the carving profession in Bac Ninh, Nam Ha, etc...

North Vietnam a developing region of mechanical industry, available with skilled workers—badly needs investment to manufacture car, motorcycle consumer goods for domestic market and for export as well as construction steel....

During these past few years, Northern provinces have invested in garment, footwear manufacturing and needle-knitted clothing to supply Soviet Union market and now they are doing joint venture with foreign companies.

One of the rather attractive areas is tourist business, hotel construction and establishment of international transaction centers.

In addition, North Vietnam is abundant in minerals such as iron, copper, pewter, zinc, gem stone, coal... that offer good chance for exploitation by foreign investors.

T.I.R.: What about Northern provinces prospect to get foreign investment in the coming years?

Mr. Nguyen Mai: In the near future, when reasonable favours have been established, a list of attractive projects and a number of qualified cadres prepared while foreign businessmen have become familiar with the Northern area and recognized its potentials, the prospect would be encouraging. Some foreign investors have changed his attitude of assessment for prospective investment in North VN after their visit to various factories and learning about the skill of workers and capacity of Vietnamese technicians.

Some large projects such as car assembly, motorcycle assembly, cement manufacturing have begun to operate.

T.I.R.: How has the project for Hanoi and Hai Phong export industrial zones been established?

Mr. Nguyen Mai: In Hanoi, some industrial concentration zones will be established. (Negotiations are under way for establishing the first electronic component manufacturing area with about 50-100 ha each).

Planning for industrial zones is necessary. If capital fund is available, technical infrastructure should be built; if not available, joint venture can be called for the purpose.

In Hai Phong, a special export processing zone is being established. This is a new undertaking. As we haven't had much experience, we have to learn while working, we should not hurry when making decision and development.

In order to ensure success in undertaking direct foreign investment, we should have more realistic preparations in material condition and technicians.

On the New Year occasion, I would like to extend best wishes for business success and happiness to the readers of Seaprodx Trade and Investment Review.

Dutch Bank Receives License

92SE0219E Hanoi VIETNAM NEWS in English 10 Apr 92 p 1

[Article: "First Dutch Bank Awarded Licence"]

[Excerpt] NMB Bank, which is part of the Internationale Nederlanden Group (ING Group), today announced the granting of a double banking licence for representative offices in Hanoi and Ho Chi Minh City, Vietnam.

NMB Bank, which is the first bank to receive a licence for both cities at one time, will be the first Dutch bank in Vietnam. The Vietnam operation will be headed by Mr. Willem van der Pas, who will report to the Hong Kong office of NMB Bank.

Commenting on the double licence, Mr. Frank Mauritz, General Manager of NMB Bank, Hong Kong, said: "We are delighted to have received a licence for two representative offices. We have been active in Vietnam for five years and have formed a close alliance with the Bank for Foreign Trade of Vietnam and other commercial

banks, particularly in the area of trade finance. NMB Bank is one of the few major banks in the region to be actively involved in Vietnam related trade." he added.

Mr. Mauritz continued: "We regard Vietnam as an emerging market of great potential, particularly in the areas of commodity trading, the financing of the oil business, the remittance of funds and in an advisory capacity to the increasing number of companies looking to invest in Vietnam."

Mr. Mauritz noted that the presence of two offices in Vietnam would strengthen NMB Bank's existing relationships and provide the bank with firsthand market information. [passage omitted]

SOCIAL

Article Views Labor Force, Employment Issues

922E0132A Hanoi QUAN DOI NHAN DAN
in Vietnamese 24 Mar 92 pp 1, 4

[Article by Hoang Mai: "Jobs for Workers?"]

[Text] By the end of 1991, of a total of 33.8 million workers in our country nearly 2.1 million were of working age but were unemployed. In the municipalities, cities, and towns there were 1.1 million, about 10 percent of the total.

However, that situation is not as worrisome as that of the near future, which is becoming a reality. That is in addition to the present rate of population increase (about two percent a year); between now and 1995 the rate of increase of the national work force will rise to 2.6 percent. That means that in addition to the existing number of workers who are very much in need of work, in 1992 about 1 million people will be added to the ranks of the unemployed nationwide. By 1995 the number of people of working age will increase by 7.5 million.

In recent years the party and state have paid all-out attention to the task of creating jobs for workers. The labor and war invalids-social welfare sectors, in coordination with the sectors, mass organizations, and localities, have implemented many measures and forms, such as organizing labor migration to develop new economic zones, supplying international labor, training and retraining workers, etc. Although the results that have been attained are not many, permanent or temporary jobs were obtained for millions of workers. For example, in 1991 alone, with the mode of developing new economic zones along the coast in the province, (the former) Ha Nam Ninh Province developed more than 4,000 hectares of coastal alluvial land, brought it into production, and produced 6,000 tons of rice, 150,000 tons of salt, and 500 tons of shrimp for export, planted 1,320 hectares of rush, etc. In addition to those results, the province has provided permanent jobs for thousands of workers and temporary jobs (three to six months) for tens of thousands of other workers.

The results that have been attained in providing jobs for workers in recent years have been notable. However, in comparison to the urgent requirements of the workers the results that have been attained are not yet satisfactory, especially in the present situation of reducing the state's very cumbersome, ineffective personnel structure. In order to overcome the seemingly contradictory situation between creating jobs and reducing the state's present work force, in a recent meeting in Thua Thien-Hue the labor sector there was proposed a national job creation program, consisting of such major programs and projects as combining job creation with the land problem and the development of 3 million hectares of wasteland and denuded hillside land; shifting labor to develop new economic zones (including land clearing, reclaiming land from the sea, and fully utilizing the land of under-utilized state farms and state forests); developing marshy areas; closely combining providing jobs with eliminating social evils in the municipalities, cities, and industrial zones; building training and retraining centers; and encouraging workers with capital, especially those returning from Germany, to create their own jobs.

The above contents and directions proposed by the labor sector in the program to provide jobs between now and 1995 are in accord with the desires of the workers and the policies of the party and state. However, it costs about 3.5 million dong to create a job for a worker. However, to attain the important goal of creating jobs for millions of people only a little more than 800 billion dong have been budgeted for 1992, i.e., only enough to provide jobs for about 200,000 workers this year. Clearly, with that level of budgetary investment, if expenditures are not increased every year, by 1995 there will still be about 6 million unemployed people in our country.

In our country at present, there are hundreds of vocational training schools and centers of the state, the sectors, and the localities, in addition to the system of

private vocational training centers. That is a solid foundation, with much experience in training, to help the state give vocational training and retraining to workers so that they can have stable employment. For that reason, in addition to training intellectuals for the country in the future, a task in which the education sector must participate actively in the social life of the nation is to, along with the labor and social sectors, provide jobs for an important part of the unemployed after they have been retrained.

An actuality that is taking place in our country is that a considerable number of private individuals with capital have set up production and business establishments. A school notebook production establishment set up in Hanoi by Vietnamese workers returning from Germany that employs dozens of young workers is a model that should be expanded. It is estimated that at present the people still possess a considerable amount of money and precious metals. Therefore, in addition to the state being concerned with creating jobs and places of employment for workers, we believe that workers should also create jobs for themselves in order to reduce the burden on themselves, the state, and society. In doing so, the thing that must be overcome first of all is the attitude of the old subsidy period that "the state must provide jobs for workers."

Jobs for workers is not only an economic matter, but is also a social and political matter. Concern for providing jobs for workers is a legitimate concern of the people, the party, the state, and the labor sector. However, we cannot for that reason leave it up to "those who are responsible for providing jobs." Therefore, we believe that all sectors, localities, installations, enterprises, and individuals must be concerned jointly and participate in a very practical way with the state labor management organs in providing jobs. Only thereby can we hope to attain the goal of creating jobs for 7.7 million workers by 1995 that has been set and is attainable.

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